

**CITY OF PATTERSON, LOUISIANA**

Financial Report

Year Ended June 30, 2001

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(A Corporation of Certified Public Accountants)

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## Independent Auditor's Report

The Honorable James L. Bernauer, Mayor  
and Members of the City Council  
City of Patterson, Louisiana

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We have audited the accompanying general purpose financial statements of the City of Patterson, Louisiana, as of and for the year ended June 30, 2001. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City of Patterson, Louisiana, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated November 16, 2001, on our consideration of the City of Patterson's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Patterson, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general

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purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole, except that:

- (1) information as to the number of utility customers presented on page 84 is based on unaudited data obtained from the City's records, on which we express no opinion, and
- (2) the insurance coverage data presented on page 87 has not been audited by us and we express no opinion on it.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the City of Patterson, Louisiana.

*Dannall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
November 16, 2001

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

## CITY OF PATTERSON, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 2001  
 With Comparative Totals for Year Ended June 30, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
Cash	\$ 191,621	\$ 734,704	\$ 55,764	\$ 14,223
Interest-bearing deposits	2,404,186	1,345,109	911,375	849,258
Investments, at fair value	-	-	-	-
Receivables:				
Taxes	116,176	44,037	-	-
Accounts	-	-	-	-
Property assessments	-	-	17,573	-
Accrued interest	7,684	2,821	2,853	1,612
Due from other funds	325,155	37,915	215,059	22,583
Due from other governmental units	35,949	13,450	-	20,687
Prepaid insurance	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash	-	-	-	-
Interest-bearing deposits	-	-	-	-
Accrued interest receivable	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	-	-	-	-
Construction in progress	-	-	-	-
Utility property, plant and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
Total assets and other debits	<u>\$ 3,080,771</u>	<u>\$ 2,178,036</u>	<u>\$ 1,202,624</u>	<u>\$ 908,363</u>

Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	2001	2000
Enterprise	Agency				
\$ 219,644	\$ 105,889	\$ -	\$ -	\$ 1,321,845	\$ 1,060,756
771,634	-	-	-	6,281,562	4,357,046
-	-	-	-	-	1,230,519
-	-	-	-	160,213	128,363
297,903	-	-	-	297,903	303,816
-	-	-	-	17,573	24,734
958	-	-	-	15,928	7,771
26,391	17,000	-	-	644,103	557,008
-	-	-	-	70,086	50,144
3,526	-	-	-	3,526	11,218
125,000	-	-	-	125,000	125,000
196,131	-	-	-	196,131	186,864
1,487,630	-	-	-	1,487,630	1,296,976
210	-	-	-	210	271
-	-	230,244	-	230,244	230,244
-	-	458,190	-	458,190	451,040
-	-	987,124	-	987,124	933,269
-	-	302,845	-	302,845	-
10,392,070	-	-	-	10,392,070	10,877,514
(5,335,024)	-	-	-	(5,335,024)	(5,575,185)
-	-	-	964,692	964,692	677,274
-	-	-	1,150,583	1,150,583	1,640,133
<u>\$ 8,186,073</u>	<u>\$ 122,889</u>	<u>\$ 1,978,403</u>	<u>\$ 2,115,275</u>	<u>\$ 19,772,434</u>	<u>\$ 18,574,775</u>

(continued)



## CITY OF PATTERSON, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 2001  
 With Comparative Totals for Year Ended June 30, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 59,653	\$ 7,326	\$ -	\$ 60,736
Accrued liabilities	-	-	-	10,614
Due to other funds	213,992	57,194	220,359	2,093
Payable from restricted assets -				
Revenue bonds	-	-	-	-
Accrued interest	-	-	-	-
Customers' deposits	-	-	-	-
Advances from other funds	125,000	-	-	-
Deferred revenues	-	-	17,573	-
General obligation bonds and notes payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Lease obligation payable	-	-	-	-
<b>Total liabilities</b>	<u>398,645</u>	<u>64,520</u>	<u>237,932</u>	<u>73,443</u>
<b>Fund equity:</b>				
Contributed capital (net of accumulated amortization)	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings (deficit) -				
Reserved for revenue bond retirement	-	-	-	-
Unreserved	-	-	-	-
<b>Total retained earnings</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances -</b>				
Reserved for debt service	-	-	809,529	-
Unreserved:				
Designated for subsequent years' expenditures	-	47,491	-	834,920
Undesignated	<u>2,682,126</u>	<u>2,066,025</u>	<u>155,163</u>	<u>-</u>
<b>Total fund balances</b>	<u>2,682,126</u>	<u>2,113,516</u>	<u>964,692</u>	<u>834,920</u>
<b>Total fund equity</b>	<u>2,682,126</u>	<u>2,113,516</u>	<u>964,692</u>	<u>834,920</u>
<b>Total liabilities and fund equity</b>	<u>\$ 3,680,771</u>	<u>\$ 2,178,036</u>	<u>\$ 1,202,624</u>	<u>\$ 908,363</u>

Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals	
		General	General	(Memorandum Only)	
		Fixed	Long-Term	2001	2000
Enterprise	Agency	Assets	Debt		
\$ 75,150	\$ -	\$ -	\$ -	\$ 202,865	\$ 175,353
4,175	20,633	-	-	35,422	28,145
48,209	102,256	-	-	644,103	557,008
62,272	-	-	-	62,272	57,272
9,612	-	-	-	9,612	10,210
222,473	-	-	-	222,473	213,206
-	-	-	-	125,000	125,000
-	-	-	-	17,573	24,734
-	-	-	2,110,000	2,110,000	2,307,189
728,174	-	-	-	728,174	790,446
-	-	-	5,275	5,275	10,218
<u>1,150,065</u>	<u>122,889</u>	<u>-</u>	<u>2,115,275</u>	<u>4,162,769</u>	<u>4,298,781</u>
 <u>6,696,900</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>6,696,900</u>	 <u>6,763,846</u>
 <u>-</u>	 <u>-</u>	 <u>1,978,403</u>	 <u>-</u>	 <u>1,978,403</u>	 <u>1,614,553</u>
 1,265,080	 -	 -	 -	 1,265,080	 977,288
<u>(925,972)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(925,972)</u>	<u>(845,058)</u>
<u>339,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,108</u>	<u>132,230</u>
 -	 -	 -	 -	 809,529	 681,192
 -	 -	 -	 -	 882,411	 1,057,331
 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>4,903,314</u>	 <u>4,026,842</u>
 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>6,595,254</u>	 <u>5,765,365</u>
 <u>7,036,068</u>	 <u>-</u>	 <u>1,978,403</u>	 <u>-</u>	 <u>15,609,665</u>	 <u>14,275,994</u>
<u>\$ 8,186,073</u>	<u>\$ 122,889</u>	<u>\$ 1,978,403</u>	<u>\$ 2,115,275</u>	<u>\$ 19,772,434</u>	<u>\$ 18,574,775</u>

The accompanying notes are an integral part of this statement.

## CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 All Governmental Fund Types  
 Year Ended June 30, 2001  
 With Comparative Totals for Year Ended June 30, 2000

	General	Special Revenue	Debt Service
Revenues:			
Taxes	\$ 989,992	\$ 754,735	\$ 99,848
Licenses and permits	102,335	-	-
Intergovernmental	563,086	214,617	-
Charges for services	309,890	-	-
Fines and forfeits	184,529	-	-
Miscellaneous	<u>125,098</u>	<u>56,011</u>	<u>37,940</u>
Total revenues	<u>2,274,930</u>	<u>1,025,363</u>	<u>137,788</u>
Expenditures:			
Current -			
General government			
Administrative	267,599	20,658	-
Mechanic shop	58,147	-	-
Public safety			
Police	675,736	-	-
Fire	38,002	-	-
Streets and drainage	327,850	-	-
Culture and recreation	27,016	-	-
Sanitation and sewer	295,767	-	-
Housing rehabilitation	-	200,083	-
Debt service -			
Principal retirement	4,942	-	197,189
Interest and fiscal charges	531	-	113,818
Capital outlay	<u>95,190</u>	<u>3,162</u>	<u>7,120</u>
Total expenditures	<u>1,790,780</u>	<u>223,903</u>	<u>318,127</u>
Excess (deficiency) of revenues over expenditures	<u>484,150</u>	<u>801,460</u>	<u>(180,339)</u>
Other financing sources (uses):			
Operating transfers in	174,560	-	313,048
Operating transfers out	(110,011)	(477,445)	-
Proceeds from the sale of bonds	-	-	-
Total other financing sources (uses)	<u>64,549</u>	<u>(477,445)</u>	<u>313,048</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	548,699	324,015	132,709
Fund balances, beginning	<u>2,133,427</u>	<u>1,789,501</u>	<u>831,983</u>
Fund balances, ending	<u>\$ 2,682,126</u>	<u>\$ 2,113,516</u>	<u>\$ 964,692</u>

Capital Projects	Totals (Memorandum Only)	
	2001	2000
\$ -	\$ 1,844,575	\$ 1,586,409
-	102,335	110,527
75,366	853,069	247,084
-	309,890	268,463
-	184,529	191,754
<u>44,969</u>	<u>264,018</u>	<u>246,831</u>
<u>120,335</u>	<u>3,558,416</u>	<u>2,651,068</u>
144	288,401	305,363
-	58,147	38,581
-	675,736	706,571
-	38,002	28,077
-	327,850	263,908
-	27,016	26,311
-	295,767	237,500
-	200,083	76,875
-	202,131	231,819
-	114,349	108,140
<u>295,725</u>	<u>401,197</u>	<u>113,460</u>
<u>295,869</u>	<u>2,628,679</u>	<u>2,136,605</u>
<u>(175,534)</u>	<u>929,737</u>	<u>514,463</u>
-	487,608	508,215
-	(587,456)	(498,933)
-	-	853,394
<u>-</u>	<u>(99,848)</u>	<u>862,676</u>
(175,534)	829,889	1,377,139
<u>1,010,454</u>	<u>5,765,365</u>	<u>4,388,226</u>
<u>\$ 834,920</u>	<u>\$ 6,595,254</u>	<u>\$ 5,765,365</u>

The accompanying notes are an integral part of this statement.

## CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual -  
 All Governmental Fund Types  
 Year Ended June 30, 2001

	General Fund		Variance -
	Budget	Actual	Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 937,118	\$ 989,992	\$ 52,874
Licenses and permits	107,879	102,335	(5,544)
Intergovernmental	497,327	563,086	65,759
Charges for services	272,107	309,890	37,783
Fines and forfeits	161,669	184,529	22,860
Miscellaneous	113,268	125,098	11,830
Total revenues	<u>2,089,368</u>	<u>2,274,930</u>	<u>185,562</u>
<b>Expenditures:</b>			
Current -			
General government			
Administrative	311,092	267,599	43,493
Mechanic shop	62,021	58,147	3,874
Public safety			
Police	717,104	675,736	41,368
Fire	25,842	38,002	(12,160)
Streets and drainage	309,527	327,850	(18,323)
Culture and recreation	26,208	27,016	(808)
Sanitation and sewer	252,400	295,767	(43,358)
Housing rehabilitation	-	-	-
Debt service -			
Principal retirement	4,107	4,942	(835)
Interest and fiscal charges	800	531	269
Capital outlay	22,992	95,190	(72,198)
Other costs	-	-	-
Total expenditures	<u>1,732,102</u>	<u>1,790,780</u>	<u>(58,678)</u>
Excess (deficiency) of revenues over expenditures	<u>357,266</u>	<u>484,150</u>	<u>126,884</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	177,396	174,560	(2,836)
Operating transfers out	(75,481)	(110,011)	(34,530)
Proceeds from the sale of bonds	-	-	-
Total other financing sources (uses)	<u>101,915</u>	<u>64,549</u>	<u>(37,366)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	459,181	548,699	89,518
Fund balances, beginning	<u>2,133,427</u>	<u>2,133,427</u>	<u>-</u>
Fund balances, ending	<u>\$ 2,592,608</u>	<u>\$ 2,682,126</u>	<u>\$ 89,518</u>

Special Revenue Funds			Debt Service Funds		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 804,104	\$ 754,735	\$ (49,369)	\$ 100,000	\$ 99,848	\$ (152)
-	-	-	-	-	-
14,534	214,617	200,083	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
48,496	56,011	7,515	33,632	37,940	4,308
867,134	1,025,363	158,229	133,632	137,788	4,156
-	20,658	(20,658)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	200,083	(200,083)	-	-	-
-	-	-	197,189	197,189	-
-	-	-	120,327	113,818	6,509
-	3,162	(3,162)	-	7,120	-
21,837	-	21,837	-	-	-
21,837	223,903	(223,903)	317,516	318,127	6,509
845,297	801,460	(43,837)	(183,884)	(180,339)	3,545
-	-	-	307,643	313,048	5,405
(509,558)	(477,445)	32,113	-	-	-
-	-	-	-	-	-
(509,558)	(477,445)	32,113	307,643	313,048	5,405
335,739	324,015	(11,724)	123,759	132,709	8,950
1,789,501	1,789,501	-	831,983	831,983	-
\$ 2,125,240	\$ 2,113,516	\$ (11,724)	\$ 955,742	\$ 964,692	\$ 8,950

(continued)

## CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual -  
 All Governmental Fund Types - (Continued)  
 Year Ended June 30, 2001

	Capital Projects Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	152,875	75,366	(77,509)
Charges for services	-	-	-
Fines and forfeits	-	-	-
Miscellaneous	28,473	44,969	16,546
Total revenues	<u>181,298</u>	<u>120,335</u>	<u>(60,963)</u>
Expenditures:			
Current -			
General government			
Administrative	-	144	(144)
Mechanic shop	-	-	-
Public safety:			
Police	-	-	-
Fire	-	-	-
Streets and drainage	-	-	-
Culture and recreation	-	-	-
Sanitation and sewer	-	-	-
Housing rehabilitation	-	-	-
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	305,751	295,725	10,026
Total expenditures	<u>305,751</u>	<u>295,869</u>	<u>9,882</u>
Excess (deficiency) of revenues over expenditures	<u>(124,453)</u>	<u>(175,534)</u>	<u>(51,081)</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Proceeds from the sale of bonds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(124,453)</u>	<u>(175,534)</u>	<u>(51,081)</u>
Fund balances, beginning	<u>1,010,454</u>	<u>1,010,454</u>	<u>-</u>
Fund balances, ending	<u>\$ 886,001</u>	<u>\$ 834,920</u>	<u>\$ (51,081)</u>

The accompanying notes are an integral part of this statement.

## CITY OF PATTERSON, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings -  
 Proprietary Fund Type  
 Year Ended June 30, 2001  
 With Comparative Totals for Year Ended June 30, 2000

	Enterprise	
	2001	2000
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 1,478,591	\$ 815,113
Water sales and services	427,901	428,256
Sewerage service	350,114	336,438
Delinquent charges	-	32,292
Commissions, transfers and reconnections	10,790	10,451
Miscellaneous	<u>18,334</u>	<u>13,967</u>
Total operating revenues	<u>2,285,730</u>	<u>1,636,517</u>
Operating expenses:		
Administrative	219,696	222,057
Gas department	1,196,604	631,037
Water department	271,201	260,455
Sewerage department	186,340	176,168
Depreciation	<u>271,656</u>	<u>267,765</u>
Total operating expenses	<u>2,145,497</u>	<u>1,557,482</u>
Operating income	<u>140,233</u>	<u>79,035</u>
Nonoperating revenues (expenses):		
Interest income	63,561	50,389
Sale of assets	835	-
Interest and fiscal charges	<u>(64,696)</u>	<u>(67,713)</u>
Total nonoperating revenues (expenses)	<u>(300)</u>	<u>(17,324)</u>
Income before operating transfers	139,933	61,711
Operating transfers out	<u>-</u>	<u>(9,282)</u>
Net income	139,933	52,429
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>66,945</u>
Increase in retained earnings	206,878	119,374
Retained earnings, beginning	<u>132,230</u>	<u>12,856</u>
Retained earnings, ending	<u>\$ 339,108</u>	<u>\$ 132,230</u>

The accompanying notes are an integral part of this statement.



## CITY OF PATTERSON, LOUISIANA

## Comparative Statement of Cash Flows

## Proprietary Fund Type

Year Ended June 30, 2001

With Comparative Totals for Year Ended June 30, 2000

	Enterprise	
	2001	2000
Cash flows from operating activities:		
Operating income	\$ 140,233	\$ 79,035
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	271,656	267,765
Gain on disposal of assets	(340)	-
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	5,913	(34,798)
(Increase) decrease in prepaid insurance	7,692	(9,984)
Increase in accounts payable	3,289	15,812
Increase in accrued liabilities	<u>1,865</u>	<u>249</u>
Total adjustments	<u>290,075</u>	<u>239,044</u>
Net cash provided by operating activities	<u>430,308</u>	<u>318,079</u>
Cash flows from noncapital financing activities:		
Operating transfers out to other funds	-	(9,282)
Cash received from other funds	<u>88,742</u>	<u>79,873</u>
Net cash provided by noncapital financing activities	<u>88,742</u>	<u>70,591</u>
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(26,373)	(71,764)
Proceeds from disposal of assets	835	-
Principal paid on revenue bond maturities	(60,000)	(55,000)
Interest paid on revenue bonds	(61,880)	(65,730)
Increase in customers' meter deposits	<u>9,267</u>	<u>10,633</u>
Net cash used by capital and related financing activities	<u>(138,151)</u>	<u>(181,861)</u>

(continued)

## CITY OF PATTERSON, LOUISIANA

## Comparative Statement of Cash Flows (Continued)

Proprietary Fund Type

Year Ended June 30, 2001

With Comparative Totals for Year Ended June 30, 2000

	Enterprise	
	2001	2000
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(462,843)	(356,366)
Purchase of investments	-	(269,150)
Proceeds from the sale and maturities of interest-bearing deposits	515,831	354,932
Proceeds from maturities of investments	277,955	255,751
Interest on interest-bearing deposits	<u>63,106</u>	<u>50,276</u>
Net cash provided by investing activities	<u>394,049</u>	<u>35,443</u>
Net increase in cash and cash equivalents	774,948	242,252
Cash and cash equivalents, beginning of period	<u>1,719,848</u>	<u>1,477,596</u>
Cash and cash equivalents, end of period	<u>\$ 2,494,796</u>	<u>\$ 1,719,848</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet -		
Cash and cash equivalents beginning of period -		
Cash - unrestricted	\$ 202,722	\$ 122,348
Interest-bearing deposits - unrestricted	211,845	47,743
Cash - restricted	186,864	176,231
Interest-bearing deposits - restricted	1,296,976	1,308,399
Less: Interest-bearing deposits with a maturity over three months	<u>(178,559)</u>	<u>(177,125)</u>
Total cash and cash equivalents	<u>1,719,848</u>	<u>1,477,596</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	219,644	202,722
Interest-bearing deposits - unrestricted	771,634	211,845
Cash - restricted	196,131	186,864
Interest-bearing deposits - restricted	1,487,630	1,296,976
Less: Interest-bearing deposits with a maturity over three months	<u>(180,243)</u>	<u>(178,559)</u>
Total cash and cash equivalents	<u>2,494,796</u>	<u>1,719,848</u>
Net increase	<u>\$ 774,948</u>	<u>\$ 242,252</u>

The accompanying notes are an integral part of this statement.

## CITY OF PATTERSON, LOUISIANA

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Patterson was incorporated March 11, 1907, under the provisions of the Lawrison Act. The City operated under a Mayor-Board of Aldermen form of government until December 31, 1992 at which time the City adopted a Home Rule Charter and now operates under an elected Mayor-Council, administrative-legislative form of government. The City's operations include police and fire protection, streets and drainage, parks and recreation, residential waste collection services, certain social services and general administration services. The City owns and operates an enterprise fund which provides gas, water, and sewer services.

The accounting and reporting policies of the City of Patterson conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517, the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

##### Financial Reporting Entity

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City of Patterson has no component units.

##### Related Organizations

The City's officials are responsible for appointing the members of the board of the Patterson Housing Authority, but the City's accountability for the public housing authority does not extend beyond making the appointments. Also, the City provides facilities and some financing to the Patterson Volunteer Department but the City does not appoint the governing board nor does it have any additional financial accountability to the volunteer fire department.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into six generic fund types and three broad fund categories as follows:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt service funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital projects funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Fund -

Enterprise fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Patterson's enterprise fund is the Utility Fund.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Funds -

Agency funds

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations, but are used to account for assets held for other funds.

Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The City has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with its activity are included on its balance sheet. Proprietary fund types follow generally accepted accounting principles (GAAP) prescribed by the Governmental Accounting Standards Board and all applicable FASB pronouncements.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20 - 30 years
Improvements	10 - 30 years
Equipment	4 - 20 years

## CITY OF PATTERSON, LOUISIANA

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Governmental Fund Types (General, Special Revenue, Debt Service and Capital Project Funds), and Expendable Trust Funds use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Agency Funds also use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered measurable when in the hands of intermediary collecting governments and are recognized as revenue at that time. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year, and accrued vacation and sick leave which is recorded when payable from current available financial resources.

The revenues susceptible to accrual are property taxes, charges for service, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned, including unbilled water and sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

##### Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Clerk prepares a proposed budget and submits it to the Mayor and City Council for the fiscal year no later than forty-five days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfers of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the City Council.
6. All budgetary appropriations lapse at the end of each fiscal year, except for capital expenditures.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the City Council. Such amendments were not material in relation to the original appropriations.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City as an extension of formal budgetary integration in the funds.

Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

Statement of Cash Flows

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Advances To/From Other Funds

Noncurrent portions of long-term interfund loans receivable and payable are reported as "Advances to other funds" and "Advances from other funds". Advances to other funds in governmental funds are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

## CITY OF PATTERSON, LOUISIANA

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Bad Debts

Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible taxes receivable was made due to immateriality at June 30, 2001.

Accounts receivable in the Utility Fund is presented net of an allowance for doubtful accounts of \$16,939 and \$39,720 at June 30, 2001 and 2000, respectively.

##### Vacation and Sick Leave

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave does not accumulate and is not payable at termination of employment. Vacation must be taken in the year accrued and cannot be carried over. Any liability the City might have in this regard at June 30, 2001 is considered immaterial; therefore, no liability has been recorded in the accounts.

##### Capitalization of Interest Expense

It is the policy of the City of Patterson to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. For the year ended June 30, 2001, \$7,120 of capitalized interest expense was recorded on the books.

##### Capital Lease

A capital lease is generally defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases" as one which transfers benefits and risks of ownership to the lessee. Leases meeting the criteria of a capital lease as defined are recorded at inception as expenditures and other financial sources in governmental fund types and as assets and liabilities in the General Fixed Assets and General Long-Term Debt account groups, respectively, at the present value of the future minimum lease payments, using the interest rates stated in the leases.

##### Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

##### Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.



## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The City's management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures or expenses, as appropriate. Actual results may differ from these estimates.

## NOTE 2 CASH

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2001, the City has cash and interest-bearing deposits (book balances) totaling \$9,287,168, as follows:

Demand deposits	\$ 1,517,976
Money market accounts and time deposits	<u>7,769,192</u>
Total	<u>\$ 9,287,168</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2001, are secured as follows:

Bank balances	<u>\$ 8,107,121</u>
Federal deposit insurance	\$ 400,000
Pledged securities (Category 3)	<u>8,599,349</u>
Total federal deposit insurance and pledged securities	<u>8,999,349</u>
Excess	<u>\$ 892,228</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 3 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of St. Mary Parish. City property tax revenues are budgeted in the year billed.

For the year ended June 30, 2001, taxes of 22.27 mills were levied on property with assessed valuations totaling \$13,957,804 and were dedicated as follows:

General corporate purposes	9.86 mills
Debt service	12.41 mills

Total taxes levied were \$310,840. The total amount of taxes receivable at June 30, 2001 was \$5,925.

## NOTE 4 INTERFUND RECEIVABLES/PAYABLES

	Interfund Receivables	Interfund Payables
Due to/from other funds:		
General Fund	\$ 325,155	\$ 213,992
Special revenue funds -		
Ad Valorem Tax Collection Fund	269	33,055
Sewerage and Solid Waste Sales Tax Fund	37,646	24,139
Debt service funds -		
Public Improvement Bonds Fund	172,950	54,697
Sales Tax Refunding Bonds	26,554	42,072
1990 Paving Assessment Fund	15,555	123,590
Capital projects funds -		
City Hall & Jail Complex Project Fund	567	-
Drainage and Relocation Fund	21,443	-
Regional Sewerage Facility Project Fund	573	1,701
Murphy St. Paving Fund	-	392
Utility Fund	26,391	48,209
Agency Funds -		
Disbursement Fund	17,000	18,223
Payroll Fund	-	84,033
Total due to/from other funds	<u>\$ 644,103</u>	<u>\$ 644,103</u>

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 4 INTERFUND RECEIVABLES/PAYABLES (CONTINUED)

Advances to/from other funds:		
General Fund	\$ -	\$ 125,000
Utility Fund	<u>125,000</u>	<u>-</u>
Total advances to/from other funds	<u>\$ 125,000</u>	<u>\$ 125,000</u>

## NOTE 5 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at June 30, 2001 consisted of the following:

Payment in lieu of taxes due from the Patterson Housing Authority	\$ 8,932
Fire insurance rebate due from the St. Mary Parish Council	13,450
Reimbursement on construction of City Hall from State of Louisiana	20,687
Rural development grant from the State of Louisiana	11,929
Beer and tobacco taxes due from the State of Louisiana	3,453
Video poker receipts due from the State of Louisiana	5,385
Indian gaming revenue due from the State of Louisiana	<u>6,250</u>
	<u>\$ 79,086</u>

## NOTE 6 RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets consisted of the following at June 30:

	2001	2000
Revenue bond and interest sinking fund	\$ 106,304	\$ 73,383
Revenue bond reserve fund	128,388	128,388
Revenue bond capital additions and contingencies fund	996,264	842,999
Revenue bond construction fund	230,542	226,135
Customers' deposits	<u>222,473</u>	<u>213,206</u>
	<u>\$ 1,683,971</u>	<u>\$ 1,484,111</u>

## NOTE 7 CHANGES IN FIXED ASSETS

	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
Land	\$ 230,244	\$ -	\$ -	\$ 230,244
Buildings	451,040	7,150	-	458,190
Equipment	933,269	91,202	37,347	987,124
Construction in progress	-	302,845	-	302,845
Total general fixed assets	<u>\$ 1,614,553</u>	<u>\$ 401,197</u>	<u>\$ 37,347</u>	<u>\$ 1,978,403</u>

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 7 CHANGES IN FIXED ASSETS (CONTINUED)

A summary of proprietary fund type property, plant and equipment at June 30, 2001 follows:

Land	\$ 107,200
Administrative equipment	113,485
Gas utility:	
System	1,651,420
Equipment	281,107
Water utility:	
System	2,157,580
Tank	303,842
Equipment	176,304
Sewerage utility:	
System	5,534,417
Equipment	<u>66,715</u>
	10,392,070
Less: Accumulated depreciation	<u>5,335,024</u>
Net proprietary fund type property, plant and equipment	<u>\$ 5,057,046</u>

## NOTE 8 CAPITAL LEASE

In July 1997, the City entered into an agreement for the lease of equipment. The lease is paid in monthly installments; final payment is due in June 2002. The book value of the equipment under capital lease at June 30, 2001 as capitalized in the General Fixed Assets Account Group is \$23,250.

The following is a schedule of future minimum lease payments under the capital lease:

	Equipment
2002	<u>\$ 5,464</u>
	5,464
Less: Amount representing interest	<u>189</u>
Present value of future minimum lease payments	<u>\$ 5,275</u>

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 9 CHANGES IN LONG-TERM DEBT

The following is a summary of bonds and certificates of indebtedness transactions of the City of Patterson for the year ended June 30, 2001:

	General Obligation	Revenue	Total
Bonds and certificates, payable July 1, 2000	\$ 2,307,189	\$ 875,000	3,182,189
Bonds and certificates, retired	<u>(197,189)</u>	<u>(60,000)</u>	<u>(257,189)</u>
Bonds and certificates, payable June 30, 2001	<u>\$ 2,110,000</u>	<u>\$ 815,000</u>	<u>\$ 2,925,000</u>

Bonds and certificates payable at June 30, 2001 are comprised of the following individual issues:

## General obligation bonds and certificates:

\$830,000 1997 Public Improvement Sewer Refunding Bonds, due in annual installments of \$110,000 to \$125,000 through December 1, 2005; interest at 5 percent; secured by levy and collection of 3/4 percent sales tax revenue

600,000

\$930,000 1998 General Obligation Refunding Bonds, due in annual installments of \$55,000 to \$95,000 through March 1, 2010, interest at 4.65 to 5.20 percent; secured by levy and collection of ad valorem taxes

685,000

\$850,000 Public Improvement Sales Tax Bonds, Series 2000, due in annual installments of \$25,000 to \$70,000 through January 1, 2020; interest at 5.75%, secured by levy and collection of 1 percent sales tax revenue

825,000

Total general obligation bonds and certificates payable

\$ 2,110,000

## Revenue bonds:

\$1,290,000 Utilities Revenue Bonds, Series 1990, due in annual installments of \$65,000 to \$120,000 through May 1, 2010; interest at 7.25

\$ 815,000

Less: Unamortized bond discount

24,554

Net utility revenue bonds

\$ 790,446

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 9 CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding as of June 30, 2001, including interest payments of \$1,113,862 are as follows:

Year Ending <u>June 30</u>	General Obligation	Revenue	Total
2002	\$ 297,929	\$ 122,680	\$ 420,609
2003	303,309	123,130	426,439
2004	307,784	123,160	430,944
2005	306,593	127,835	434,428
2006	294,943	126,800	421,743
2007-2011	744,287	507,238	1,251,525
2012-2016	362,412	-	362,412
2017-2020	<u>290,762</u>	<u>-</u>	<u>290,762</u>
	<u>\$ 2,908,019</u>	<u>\$ 1,130,843</u>	<u>\$ 4,038,862</u>

## Covenants/Restrictions:

## Property assessment bonds:

The City of Patterson retired the assessment certificates recorded in the general long-term debt group. Assets remaining in these funds after the retirement of the outstanding obligations may be used only for the repair and maintenance of the streets improved from the proceeds of the original certificate issue.

## Utility revenue bonds:

The various bond indentures contain significant limitations and restrictions as to the annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage (see Note 10). The City is in compliance with all such significant limitations and restrictions.

## Sales tax sewer public improvement bonds:

The resolution concerning the dedication of the proceeds of the 3/4 of 1% sewerage and solid waste sales tax specifies restrictions as to how the funds must be expended (see Note 11). The City is in compliance with all such significant limitations.

## NOTE 10 FLOW OF FUNDS; RESTRICTIONS ON USE - UTILITIES REVENUES

Under the terms of the bond indenture on outstanding Utilities Revenue Bonds dated May 1, 1990, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operations of the Utilities System are pledged and dedicated to the retirement of said bonds and are to be set aside into the following special funds:

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 10 FLOW OF FUNDS; RESTRICTIONS ON USE - UTILITIES REVENUES (CONTINUED)

Each month, there will be set aside into a fund called the Revenue Bond Sinking Fund an amount constituting 1/12 of the next maturing installment of principal and 1/6 of the next maturing installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

There shall also be set aside into a Revenue Bond Reserve Fund an initial deposit of \$129,000, thus accumulating in the reserve account an amount equal to the lesser of the highest combined principal and interest requirements in any succeeding fiscal year or 10 percent of bond proceeds. Such amounts may be used only for the payment of maturing bonds and interest on the aforesaid bonds for which sufficient funds are not on deposit in the Revenue Bond Sinking Fund and as to which there would otherwise be default.

Funds will also be set aside into a Capital Additions and Contingencies Fund monthly in the amount of five percent (5%) of the gross revenues of the System for the preceding month, provided that such sum is available after provision is made for all reasonable expenses of administration, operation and maintenance of the System as well as payments into the above required funds. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, money in this fund shall also be used to pay the principal of and the interest on these bonds for the payment of which there is not sufficient money in the Revenue Bond Sinking Fund or the Revenue Bond Reserve Fund. This money, however, shall never be used for the making of improvements and extensions to the System or for payment of principal and interest on bonds if such use of said money will leave in the Capital Additions and Contingencies Fund for the making of emergency repairs or replacements less than the sum of \$10,000.

NOTE 11 DEDICATION OF PROCEEDS AND FLOW OF FUNDS - SALES AND USE TAXES

The City of Patterson collects sales taxes under four sales tax levies as follows:

Proceeds of a 1% parish wide sales and use tax levied in 1966 (2001 collections \$485,439; 2000 \$392,992). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to each participating municipality on a monthly basis. The City of Patterson's allocation is 4.7818% of the first \$1,500,000 of net taxes collected. Fifty percent of any collection in excess of \$1,500,000 is divided proportionately among the participating municipalities according to their respective populations as reflected by the most recent federal census or most recent special census. Proceeds of this tax shall be used for the following purposes: construction, acquisition, improvement, maintenance and repairs of streets, capital improvements, public works and buildings (including the acquisition of sites and necessary fixtures, equipment, furnishings and appurtenances, and the payment of obligations and refunding obligations which have been or may be issued for the purpose of acquiring and improving public works and buildings); for payment or supplementing salaries of all municipal employees; for the operation of recreational facilities; for the acquisition, maintenance, repairs and payment of operating expenses of equipment, vehicles, and other machinery owned by the municipality; and for any other public purpose authorized by state law.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 11 DEDICATION OF PROCEEDS AND FLOW OF FUNDS - SALES AND USE TAXES (CONTINUED)

Proceeds of a 3/4 of 1% sales and use tax levied in 1974 (2001 collections \$438,909; 2000 \$435,739). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly among the participating municipalities according to their respective populations as reflected by the most recent federal census or the most recent special census. Proceeds are to be used for the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities, sewers and sewerage disposal works, and other facilities for pollution control and abatement; and to pay debt service requirements on bonds issued for any of the above-mentioned purposes. This tax is to be collected until all bonds payable shall have been paid in full in principal and interest or 1/1/99, whichever is later.

Proceeds of a 3/10 of 1% sales and use tax levied in 1982 (2001 collections \$174,654; 2000 \$166,391). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly among the participating municipalities according to their respective populations as reflected by the most recent federal census or the most recent special census. Proceeds are dedicated to the following purposes: operating and maintaining the police department, including the acquisition and maintenance of equipment and supplies; paying or supplementing the salaries of municipal employees; and purchasing, constructing, acquiring, extending and/or improving all or any portion of public works or capital improvements, including but not limited to the construction, improvement and maintenance of drainage, water, and flood control extensions and improvements and the acquisition, construction, improvement, maintenance and repair of streets, roads, and bridges.

Proceeds of a 1/2% parish wide sales and use tax levied in 2000 (2001 collections \$143,056; 2000 \$141,456). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to the St. Mary Parish Sheriff, the Parish of St. Mary and each participating municipality on a monthly basis. Proceeds of this tax may be used by the municipalities for any lawful law enforcement purpose.

NOTE 12 PENSION PLAN

Eligible employees of the City participate in one of two multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

Municipal Employees' Retirement System

Plan members are required to contribute 5.0 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 4.5 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2001, 2000 and 1999 were \$21,555, \$19,764, and \$12,916, respectively, equal to the required contribution for each year.



CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 12 PENSION PLAN (CONTINUED)

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Bldg., Baton Rouge, Louisiana 70809.

Municipal and State Police Retirement System of Louisiana

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2001, 2000 and 1999 were \$10,326, \$10,724 and \$10,469, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employees' Retirement System, P. O. Box 94095 - Capital Station, Baton Rouge, Louisiana 70804-9095.

NOTE 13 SOCIAL SECURITY SYSTEM

All employees of the City of Patterson participate in the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the City and 7.65% by the employee). The City's contribution during the year ended June 30, 2001 amounted to \$74,885.

NOTE 14 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The City is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended June 30, 2001. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

NOTE 15 PENDING LITIGATION

The City is not presently involved in any lawsuits which could materially affect the financial condition of the City.

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 16 SEGMENT INFORMATION FOR THE ENTERPRISE FUND

The City of Patterson maintains one enterprise fund with three departments which provide gas, water and sewerage services. Segment information for the year ended June 30, 2001 was as follows:

	Gas Department	Water Department	Sewerage Department	Total Enterprise Fund
Operating revenues	\$ 1,490,435	\$ 438,900	\$ 356,395	\$ 2,285,730
Operating expenses	<u>(1,403,322)</u>	<u>(388,414)</u>	<u>(353,761)</u>	<u>(2,145,497)</u>
Operating income (loss)	<u>\$ 87,113</u>	<u>\$ 50,486</u>	<u>\$ 2,634</u>	<u>\$ 140,233</u>

## NOTE 17 CONTRIBUTED CAPITAL

Amounts contributed to the enterprise fund for acquisition or construction of fixed assets is recognized as contributed capital. Contributed capital generated through grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such grants. This depreciation is closed to the appropriate contributed capital account and is reflected as an adjustment to net income on the Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings.

The sources of contributed capital used to acquire and construct facilities of the Enterprise Fund are as follows:

	Municipality	Federal Grants	State Grants	Customers	Total
Total contributed capital	\$ 5,440,367	\$ 880,125	\$ 1,254,320	\$ 87,281	\$ 7,662,093
Less: Accumulated amortization	<u>          -</u>	<u>(519,852)</u>	<u>(445,341)</u>	<u>          -</u>	<u>(965,193)</u>
Net contributed capital	<u>\$ 5,440,367</u>	<u>\$ 360,273</u>	<u>\$ 808,979</u>	<u>\$ 87,281</u>	<u>\$ 6,696,900</u>

## CITY OF PATTERSON, LOUISIANA

## Notes to Financial Statements

## NOTE 18 COMPENSATION OF CITY OFFICIALS

A detail of compensation paid to the Mayor and City Council for the year ended June 30, 2001 follows:

Mayor:	
James L. Bernauer	\$ 20,261
Council:	
Michael Accardo	3,420
David Bourdier	3,420
Larry Mendoza	3,420
C. A. "Gus" Lipari	3,420
Peg Rentrop	<u>3,420</u>
	<u>\$ 37,361</u>

## NOTE 19 COMMITMENTS

The City has entered into a contract with Bonneval Construction Company to build the City Hall/Police Station/Jail Complex for \$1,771,500. The State of Louisiana has agreed to pay a portion of the cost of the complex to a maximum of \$864,089. As of June 30, 2001, the State has paid \$54,679. The remaining balance owed to Bonneval Construction is \$1,620,767 as construction reaches various stages of completion. As June 30, 2001, a retainage of five percent of the billing is being withheld in the amount of \$10,614. The City has paid Bonneval Construction \$150,733 for the year ended June 30, 2001.

## NOTE 20 SUBSEQUENT EVENTS

In October 2001, the voters passed a resolution to allow the City to issue \$775,000 of 20 year general obligation bonds for the purpose of constructing, paving, improving, and resurfacing streets in the City to be repaid with ad valorem taxes. The bonds interest rate cannot exceed nine percent per annum. The voters also passed a resolution to allow the City to issue \$75,000 of 20-year general obligation bonds for the purpose of constructing and acquiring waterworks extensions and improvements to be repaid with ad valorem taxes. The bonds interest rate cannot exceed nine percent per annum.

## SUPPLEMENTAL INFORMATION

**SCHEDULE OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS**

## GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY OF PATTERSON, LOUISIANA  
General Fund

Comparative Balance Sheet  
June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
<b>ASSETS</b>		
Cash	\$ 191,621	\$ 177,914
Interest-bearing deposits	2,404,186	2,033,831
Receivables:		
Sales tax receivable	71,882	50,693
Utility franchise taxes receivable	44,294	37,058
Accrued interest receivable	7,684	3,646
Due from other funds	325,155	193,358
Due from other governmental units	<u>35,949</u>	<u>37,306</u>
Total assets	<u>\$ 3,080,771</u>	<u>\$ 2,533,806</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 59,653	\$ 63,575
Due to other funds	213,992	211,804
Advances from other funds	<u>125,000</u>	<u>125,000</u>
Total liabilities	<u>398,645</u>	<u>400,379</u>
Fund balances - unreserved, undesignated	<u>2,682,126</u>	<u>2,133,427</u>
Total liabilities and fund balances	<u>\$ 3,080,771</u>	<u>\$ 2,533,806</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
<b>Revenues:</b>				
Taxes	\$ 937,118	\$ 989,992	\$ 52,874	\$ 852,448
Licenses and permits	107,879	102,335	(5,544)	110,527
Intergovernmental	497,327	563,086	65,759	170,209
Charges for services	272,107	309,890	37,783	268,463
Fines and forfeits	161,669	184,529	22,860	191,754
Miscellaneous	<u>113,268</u>	<u>125,098</u>	<u>11,830</u>	<u>136,288</u>
Total revenues	<u>2,089,368</u>	<u>2,274,930</u>	<u>185,562</u>	<u>1,729,689</u>
<b>Expenditures:</b>				
Current -				
General government:				
Administrative	311,092	267,599	43,493	287,751
Mechanic shop	62,021	58,147	3,874	38,581
Public safety:				
Police	717,104	675,736	41,368	706,571
Fire	25,842	38,002	(12,160)	28,077
Streets and drainage	309,527	327,850	(18,323)	263,908
Culture and recreation	26,208	27,016	(808)	26,311
Sanitation	252,409	295,767	(43,358)	237,500
Capital outlay	22,992	95,190	(72,198)	67,309
Debt service	<u>4,907</u>	<u>5,473</u>	<u>(566)</u>	<u>5,464</u>
Total expenditures	<u>1,732,102</u>	<u>1,790,780</u>	<u>(58,678)</u>	<u>1,661,472</u>
Excess of revenues over expenditures	<u>357,266</u>	<u>484,150</u>	<u>126,884</u>	<u>68,217</u>

(continued)



CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual (Continued)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Other financing sources (uses):				
Operating transfers out	\$ (75,481)	\$ (110,011)	\$ (34,530)	\$ (40,540)
Operating transfers in	<u>177,396</u>	<u>174,560</u>	<u>(2,836)</u>	<u>159,871</u>
Total other financing sources (uses)	<u>101,915</u>	<u>64,549</u>	<u>(37,366)</u>	<u>119,331</u>
Excess of revenues and other financing sources over expenditures and other financing uses	459,181	548,699	89,518	187,548
Fund balance, beginning	<u>2,133,427</u>	<u>2,133,427</u>	<u>-</u>	<u>1,945,879</u>
Fund balance, ending	<u>\$ 2,592,608</u>	<u>\$ 2,682,126</u>	<u>\$ 89,518</u>	<u>\$ 2,133,427</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Revenues Compared to Budget (GAAP Basis)  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance - Favorable (Unfavorable)	2000 Actual
	Budget	Actual		
Taxes -				
Sales	\$ 783,670	\$ 803,149	\$ 19,479	\$ 697,839
Utility franchise	145,769	181,751	35,982	144,429
Housing authority payment in lieu of taxes	<u>7,679</u>	<u>5,092</u>	<u>(2,587)</u>	<u>10,180</u>
	<u>937,118</u>	<u>989,992</u>	<u>52,874</u>	<u>852,448</u>
Licenses and permits -				
Occupational licenses	<u>107,879</u>	<u>102,335</u>	<u>(5,544)</u>	<u>110,527</u>
Intergovernmental -				
Federal government -				
Police grant	-	44,363	44,363	12,540
State of Louisiana -				
Beer taxes	7,323	7,029	(294)	7,777
Tobacco taxes	8,747	-	(8,747)	26,241
Video Poker	29,816	30,623	807	43,861
Indian gaming revenue	17,441	19,690	2,249	47,069
Rural development grant	-	11,929	11,929	-
Patterson Housing Authority	-	15,138	15,138	-
St. Mary Parish Council	<u>434,000</u>	<u>434,314</u>	<u>314</u>	<u>32,721</u>
	<u>497,327</u>	<u>563,086</u>	<u>65,759</u>	<u>170,209</u>
Charges for services:				
Garbage fees	231,406	251,667	20,261	227,737
Summer recreation fees	45	76	31	70
Mechanic shop fees	<u>40,656</u>	<u>58,147</u>	<u>17,491</u>	<u>40,656</u>
	<u>272,107</u>	<u>309,890</u>	<u>37,783</u>	<u>268,463</u>
Fines and forfeits	<u>161,669</u>	<u>184,529</u>	<u>22,860</u>	<u>191,754</u>
Miscellaneous:				
Interest	43,753	74,092	30,339	55,722
Oil and gas royalties	448	498	50	194
Other sources	<u>69,067</u>	<u>50,508</u>	<u>(18,559)</u>	<u>80,372</u>
	<u>113,268</u>	<u>125,098</u>	<u>11,830</u>	<u>136,288</u>
Total revenues	<u>\$ 2,089,368</u>	<u>\$ 2,274,930</u>	<u>\$ 185,562</u>	<u>\$ 1,729,689</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
General government:				
Administrative -				
Salaries:				
Office	\$ 56,000	\$ 62,143	\$ (6,143)	\$ 50,284
Mayor	20,261	20,261	-	20,261
Council	17,100	17,100	-	17,100
Payroll taxes	7,275	7,148	127	7,760
Retirement contributions	7,500	3,430	4,070	6,059
Group insurance	7,000	9,495	(2,495)	6,825
Magistrate fees	4,200	4,200	-	4,200
Travel and employee expense	2,831	2,674	157	3,733
Telephone	3,813	3,910	(97)	2,757
Utilities	123	117	6	97
Office supplies	5,864	4,781	1,083	4,260
Operating supplies	936	2,598	(1,662)	1,332
Office equipment maintenance	2,221	1,610	611	3,239
City Hall maintenance	385	289	96	447
Training and seminars	457	343	114	1,536
Professional fees	13,116	9,000	4,116	13,646
Coroner fees	133	100	33	-
Research and surveys	4,984	3,857	1,127	2,138
Employee physicals	429	322	107	138
Planning Commission	349	388	(39)	252
Small animal control	2,619	2,742	(123)	2,828
Dues and subscriptions	1,859	1,549	310	3,007
Council on Aging grants	4,667	3,500	1,167	3,500
Indigent Defenders Board	34,809	42,927	(8,118)	36,242
Donations and grants	3,623	3,360	263	-
Advertising and publishing	6,287	7,025	(738)	8,173
General insurance	56,913	36,659	20,254	56,914
Public activities and awards	8,917	6,706	2,211	9,608
Miscellaneous	36,421	9,365	27,056	21,415
Total administrative	<u>311,092</u>	<u>267,599</u>	<u>43,493</u>	<u>287,751</u>

(continued)

CITY OF PATTERSON, LOUISIANA  
General Fund  
Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Mechanic shop -				
Salaries	\$ 31,281	\$ 31,707	\$ (426)	\$ 27,116
Payroll taxes	2,189	2,208	(19)	2,389
Retirement contribution	450	1,093	(643)	378
Group insurance	8,200	5,898	2,302	1,019
Operating supplies	10,847	9,213	1,634	-
Parts purchased	4,520	4,323	197	-
Vehicle oil, gas, and parts	707	-	707	6,845
Vehicle maintenance	3,827	1,367	2,460	834
Miscellaneous	-	2,338	(2,338)	-
Total mechanic	<u>62,021</u>	<u>58,147</u>	<u>3,874</u>	<u>38,581</u>
Total general government	<u>373,113</u>	<u>325,746</u>	<u>47,367</u>	<u>326,332</u>
Public safety:				
Police -				
Salaries	417,375	397,043	20,332	418,917
Payroll taxes	25,000	32,101	(7,101)	24,572
Retirement contributions	12,000	10,242	1,758	11,066
Group insurance	89,419	68,491	20,928	59,367
Uniform allowances	3,169	4,811	(1,642)	4,294
Prisoner expense	15,487	8,259	7,228	14,596
Telephone	4,649	4,583	66	3,757
Utilities	7,951	8,464	(513)	5,500
Office supplies	7,397	8,226	(829)	7,887
Operating supplies	23,988	7,790	16,198	22,916
Police station maintenance & improvements	1,396	1,568	(172)	1,567
Equipment maintenance	2,148	2,772	(624)	3,720
Equipment rentals	5,299	5,201	98	11,003
Vehicle oil and gas	29,403	26,685	2,718	25,861
Vehicle maintenance	30,317	48,969	(18,652)	33,089
Crime lab	17,352	20,497	(3,145)	19,188
Claims expense	3,500	4,350	(850)	-
Training seminars	2,691	2,911	(220)	457
Travel and employee expense	1,949	2,520	(571)	4,833
Narcotics expenses	15,789	9,324	6,465	18,965
Miscellaneous	825	929	(104)	15,016
Total police	<u>717,104</u>	<u>675,736</u>	<u>41,368</u>	<u>706,571</u>
				(continued)

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Fire -				
Salaries	\$ 2,240	\$ 2,310	\$ (70)	\$ 2,835
Payroll taxes	172	177	(5)	273
Telephone	1,127	2,698	(1,571)	3,694
Utilities	6,581	6,481	100	3,603
Operating supplies	1,688	3,930	(2,242)	3,428
Equipment maintenance	1,968	4,165	(2,197)	3,456
Fire station maintenance	1,048	892	156	302
Fire hydrant rentals	6,000	6,000	-	6,000
Vehicle oil and gas	-	-	-	68
Vehicle maintenance	4,168	5,052	(884)	4,174
Miscellaneous	<u>850</u>	<u>6,297</u>	<u>(5,447)</u>	<u>844</u>
Total fire	<u>25,842</u>	<u>38,002</u>	<u>(12,160)</u>	<u>28,077</u>
Total public safety	<u>742,946</u>	<u>713,738</u>	<u>29,208</u>	<u>734,648</u>
Streets and drainage:				
Salaries	100,016	105,187	(5,171)	58,772
Payroll taxes	7,273	7,631	(358)	5,191
Retirement contributions	2,500	4,658	(2,158)	2,029
Group insurance	11,637	8,264	3,373	4,840
Casual labor	2,581	5,248	(2,667)	9,486
Uniform allowance	5,049	5,770	(721)	3,595
Utilities	40,185	33,467	6,718	34,467
Operating supplies	10,780	11,461	(681)	12,499
Surfacing materials	72,204	56,594	15,610	62,535
Equipment maintenance	12,689	14,150	(1,461)	15,724
Vehicle oil and gas	14,512	12,590	1,922	14,194
Vehicle maintenance	4,237	27,820	(23,583)	20,573
Railroad rental/maintenance	3,200	2,426	774	2,552
Employee physicals	627	544	83	592
Drainage maintenance	301	10,645	(10,344)	3,402
Miscellaneous	<u>21,736</u>	<u>21,395</u>	<u>341</u>	<u>13,457</u>
Total streets and drainage	<u>309,527</u>	<u>327,850</u>	<u>(18,323)</u>	<u>263,908</u>

(continued)

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
<b>Culture and recreation:</b>				
Referee and umpire fees	\$ 3,450	\$ 2,325	\$ 1,125	\$ 3,450
Insurance	1,940	1,088	852	1,940
Utilities	377	530	(153)	(71)
Activities and awards	133	100	33	-
Operating supplies	4,196	4,578	(382)	3,192
Facilities maintenance	127	5,810	(5,683)	95
Rental fee	3,002	-	3,002	3,002
Appropriation to Civic Center	12,500	12,500	-	12,500
Miscellaneous	<u>483</u>	<u>85</u>	<u>398</u>	<u>2,203</u>
Total culture and recreation	<u>26,208</u>	<u>27,016</u>	<u>(808)</u>	<u>26,311</u>
<b>Sanitation:</b>				
Salaries	15,205	15,226	(21)	14,374
Payroll taxes	1,059	1,052	7	1,274
Retirement contributions	1,000	525	475	902
Group insurance	4,700	3,489	1,211	3,585
Garbage services rendered	201,387	245,658	(44,271)	190,447
Regional facility fee	29,058	29,817	(759)	26,918
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total sanitation	<u>252,409</u>	<u>295,767</u>	<u>(43,358)</u>	<u>237,500</u>
<b>Capital outlay:</b>				
Mechanic shop equipment	-	-	-	2,075
Police equipment	20,355	88,040	(67,685)	61,175
Street equipment	-	-	-	2,350
Administrative equipment	198	-	198	622
Culture and recreation	-	7,150	(7,150)	-
Fire department equipment	<u>2,439</u>	<u>-</u>	<u>2,439</u>	<u>1,082</u>
Total capital outlay	<u>22,992</u>	<u>95,190</u>	<u>(72,198)</u>	<u>67,309</u>
<b>Debt service:</b>				
Principal paid	4,107	4,942	(835)	4,630
Interest and fiscal charges	<u>800</u>	<u>531</u>	<u>269</u>	<u>834</u>
Total debt service	<u>4,907</u>	<u>5,473</u>	<u>(566)</u>	<u>5,464</u>
Total expenditures	<u>\$ 1,732,102</u>	<u>\$ 1,790,780</u>	<u>\$ (58,678)</u>	<u>\$ 1,661,472</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Other Financing Sources (Uses) -  
Compared to Budget (GAAP Basis)  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Other financing sources:				
Operating transfers out:				
Construction Fund	\$ -	\$ -	\$ -	\$ (100)
1990 Paving Project Fund	(5,000)	(10,163)	(5,163)	(5,000)
Public Improvement 2000 Bond	<u>(70,481)</u>	<u>(99,848)</u>	<u>(29,367)</u>	<u>(35,440)</u>
Total transfers to other funds	<u>(75,481)</u>	<u>(110,011)</u>	<u>(34,530)</u>	<u>(40,540)</u>
Transfers from other funds -				
Ad Valorem Tax Collection Fund	148,338	134,324	(14,014)	121,762
Sewerage and Solid Waste Fund	29,058	40,236	11,178	28,772
Public Improvement Fund of 1964	-	-	-	55
Utility Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,282</u>
Total transfers from other funds	<u>177,396</u>	<u>174,560</u>	<u>(2,836)</u>	<u>159,871</u>
Total other financing sources	<u>\$ 101,915</u>	<u>\$ 64,549</u>	<u>\$ (37,366)</u>	<u>\$ 119,331</u>

## SPECIAL REVENUE FUNDS

Sewerage and Solid Waste Sales Tax Fund - To account for the receipt and use of proceeds of the City's 3/4% sales and use tax. These taxes are dedicated to the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities.

Ad Valorem Tax Collection Fund - To account for the collection and distribution of the City's 22.48 mill ad valorem tax. Of the total tax, 10.37 mills is transferred to the General Fund and 12.11 mills is transferred to the Public Improvement Bond Fund.

Fire Department Equipment Fund - To account for the receipt of funds and the acquisition of equipment for the fire department.

Emergency Management Fund - To account for the federal and state monies as well as insurance proceeds received and expended for damages sustained as a result of Hurricane Andrew.

LCDBG Grant Fund - To account for the receipt of federal monies to be expended for housing rehabilitation in target areas.



CITY OF PATTERSON, LOUISIANA  
Special Revenue Funds

Combining Balance Sheet  
June 30, 2001  
With Comparative Totals for June 30, 2000

	Sewerage and Solid Waste Sales Tax	Ad Valorem Tax Collection	Fire Department Equipment	Emergency Management
<b>ASSETS</b>				
Cash	\$ 708,392	\$ 1,687	\$ -	\$ 24,592
Interest-bearing deposits, at cost	1,156,911	25,096	140,203	22,899
Investments, at fair value	-	-	-	-
Accrued interest receivable	2,358	78	385	-
Ad valorem taxes receivable	-	5,925	-	-
Sales taxes receivable	38,112	-	-	-
Due from other funds	37,646	269	-	-
Due from other governmental units	-	-	13,450	-
Total assets	<u>\$ 1,943,419</u>	<u>\$ 33,055</u>	<u>\$ 154,038</u>	<u>\$ 47,491</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 7,326	\$ -	\$ -	\$ -
Due to other funds	<u>24,139</u>	<u>33,055</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>31,465</u>	<u>33,055</u>	<u>-</u>	<u>-</u>
<b>Fund balances - unreserved:</b>				
Designated for subsequent years' expenditures	-	-	-	47,491
Undesignated	<u>1,911,954</u>	<u>-</u>	<u>154,038</u>	<u>-</u>
Total fund balances	<u>1,911,954</u>	<u>-</u>	<u>154,038</u>	<u>47,491</u>
Total liabilities and fund balances	<u>\$ 1,943,419</u>	<u>\$ 33,055</u>	<u>\$ 154,038</u>	<u>\$ 47,491</u>

LCDDBG Fund	Totals	
	2001	2000
\$ 33	\$ 734,704	\$ 507,544
-	1,345,109	538,559
-	-	755,691
-	2,821	1,881
-	5,925	5,194
-	38,112	35,418
-	37,915	-
<u>-</u>	<u>13,490</u>	<u>12,838</u>
<u>\$ 33</u>	<u>\$ 2,178,036</u>	<u>\$ 1,857,125</u>
\$ -	\$ 7,326	\$ 2,265
<u>-</u>	<u>57,194</u>	<u>65,359</u>
<u>-</u>	<u>64,520</u>	<u>67,624</u>
-	47,491	46,877
<u>33</u>	<u>2,066,025</u>	<u>1,742,624</u>
<u>33</u>	<u>2,113,516</u>	<u>1,789,501</u>
<u>\$ 33</u>	<u>\$ 2,178,036</u>	<u>\$ 1,857,125</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2001  
With Comparative Totals for Year Ended June 30, 2000

	Sewerage and Solid Waste Sales Tax	Ad Valorem Tax Collection	Fire Department Equipment	Emergency Management
<b>Revenues:</b>				
Taxes	\$ 438,909	\$ 302,376	\$ 13,450	\$ -
Intergovernmental	-	-	14,534	-
Miscellaneous	<u>51,989</u>	<u>1,636</u>	<u>1,772</u>	<u>614</u>
Total revenues	<u>490,898</u>	<u>304,012</u>	<u>29,756</u>	<u>614</u>
<b>Expenditures:</b>				
Current -				
General government	3,624	178	16,856	-
Supporting services - housing rehabilitation	-	-	-	-
Capital outlay				
Fire department equipment	<u>-</u>	<u>-</u>	<u>3,162</u>	<u>-</u>
Total expenditures	<u>3,624</u>	<u>178</u>	<u>20,018</u>	<u>-</u>
Excess of revenues over expenditures and other uses	<u>487,274</u>	<u>303,834</u>	<u>9,738</u>	<u>614</u>
<b>Other uses:</b>				
Operating transfers out	<u>(173,611)</u>	<u>(303,834)</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and other uses	313,663	-	9,738	614
Fund balances, beginning	<u>1,598,291</u>	<u>-</u>	<u>144,300</u>	<u>46,877</u>
Fund balances, ending	<u>\$ 1,911,954</u>	<u>\$ -</u>	<u>\$ 154,038</u>	<u>\$ 47,491</u>

LCDBG Fund	Totals	
	2001	2000
\$ -	\$ 754,735	\$ 733,961
200,083	214,617	76,875
<u>-</u>	<u>56,011</u>	<u>53,456</u>
<u>200,083</u>	<u>1,025,363</u>	<u>864,292</u>
-	20,658	140
200,083	200,083	76,875
<u>-</u>	<u>3,162</u>	<u>-</u>
<u>200,083</u>	<u>223,903</u>	<u>77,015</u>
<u>-</u>	<u>801,460</u>	<u>787,277</u>
<u>-</u>	<u>(477,445)</u>	<u>(458,338)</u>
-	324,015	328,939
<u>33</u>	<u>1,789,501</u>	<u>1,460,562</u>
<u>\$ 33</u>	<u>\$ 2,113,516</u>	<u>\$ 1,789,501</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Sewerage and Solid Waste Sales Tax Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Taxes - sales taxes	\$ 443,349	\$ 438,909	\$ (4,440)	\$ 435,739
Miscellaneous -				
Interest on deposits	<u>43,433</u>	<u>51,989</u>	<u>8,556</u>	<u>49,630</u>
Total revenues	<u>486,782</u>	<u>490,898</u>	<u>4,116</u>	<u>485,369</u>
Expenditures	<u>-</u>	<u>3,624</u>	<u>3,624</u>	<u>-</u>
Excess of revenues over expenditures	<u>486,782</u>	<u>487,274</u>	<u>492</u>	<u>485,369</u>
Other financing uses:				
Transfers to other funds -				
General Fund	(29,058)	(40,236)	(11,178)	(28,772)
1983 Public Improvement				
Bonds Fund	<u>(145,500)</u>	<u>(133,375)</u>	<u>12,125</u>	<u>(157,625)</u>
Total other financing uses	<u>(174,558)</u>	<u>(173,611)</u>	<u>947</u>	<u>(186,397)</u>
Excess of revenues over expenditures and other uses	<u>312,224</u>	<u>313,663</u>	<u>1,439</u>	<u>298,972</u>
Fund balance, beginning	<u>1,598,291</u>	<u>1,598,291</u>	<u>-</u>	<u>1,299,319</u>
Fund balance, ending	<u>\$ 1,910,515</u>	<u>\$ 1,911,954</u>	<u>\$ 1,439</u>	<u>\$ 1,598,291</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Ad Valorem Tax Collection Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001			
	Budget	Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes	\$ 333,300	\$ 302,376	\$ (30,924)	\$ 270,850
Miscellaneous	<u>1,700</u>	<u>1,636</u>	<u>(64)</u>	<u>1,231</u>
Total revenues	<u>335,000</u>	<u>304,012</u>	<u>(30,988)</u>	<u>272,081</u>
Expenditures	<u>-</u>	<u>178</u>	<u>178</u>	<u>140</u>
Excess of revenues over expenditures	<u>335,000</u>	<u>303,834</u>	<u>(31,166)</u>	<u>271,941</u>
Other uses:				
Transfers to General Fund	(148,338)	(134,324)	14,014	(121,762)
Transfers to Public Improvement				
Bonds Fund	<u>(186,662)</u>	<u>(169,510)</u>	<u>17,152</u>	<u>(150,179)</u>
Total other financing uses	<u>(335,000)</u>	<u>(303,834)</u>	<u>31,166</u>	<u>(271,941)</u>
Excess of revenues over expenditures and other uses	-	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Fire Department Equipment Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Taxes	\$ 27,455	\$ 13,450	\$ (14,005)	\$ 27,372
Intergovernmental	14,534	14,534	-	-
Miscellaneous	<u>2,793</u>	<u>1,772</u>	<u>(1,021)</u>	<u>2,049</u>
Total revenues	<u>44,782</u>	<u>29,756</u>	<u>(15,026)</u>	<u>29,421</u>
Expenditures:				
General government	21,837	16,856	4,981	-
Capital outlay - equipment	<u>-</u>	<u>3,162</u>	<u>(3,162)</u>	<u>-</u>
Total expenditures	<u>21,837</u>	<u>20,018</u>	<u>1,819</u>	<u>-</u>
Excess of revenues over expenditures	22,945	9,738	(13,207)	29,421
Fund balance, beginning	<u>144,300</u>	<u>144,300</u>	<u>-</u>	<u>114,879</u>
Fund balance, ending	<u>\$ 167,245</u>	<u>\$ 154,038</u>	<u>\$ (13,207)</u>	<u>\$ 144,300</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Emergency Management Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Miscellaneous -				
Interest	\$ 570	\$ 614	\$ 44	\$ 546
Excess of revenues over expenditures	570	614	44	546
Fund balance, beginning	46,877	46,877	-	46,331
Fund balance, ending	\$ 47,447	\$ 47,491	\$ 44	\$ 46,877



CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
LCDBG

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 2001  
With Comparative Actual Amounts for Year Ended June 30, 2000

	2001		Variance -	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Intergovernmental	\$ -	\$ 200,083	\$ 200,083	\$ 76,875
Expenditures:				
Supporting services - housing rehabilitation	-	200,083	200,083	76,875
Excess of revenues over expenditures	-	-	-	-
Fund balance, beginning	33	33	-	33
Fund balance, ending	<u>\$ 33</u>	<u>\$ 33</u>	<u>\$ -</u>	<u>\$ 33</u>

## DEBT SERVICE FUNDS

Public Improvement Bonds (Series G - I) - To accumulate monies for payment of the Public Improvement Serial Bonds and the 1990 General Obligation Bonds. Debt service is financed by the levy of a specific ad valorem tax.

Sales Tax Revenue Refunding Bonds, Series 1990 - To accumulate monies for payment of the \$1,245,000 Public Improvement Bonds which are due in annual installments ranging from \$80,000 to \$130,000 through December 1, 2005. Debt service is financed by the levy of a specific 3/4 percent sewerage and solid waste sales tax.

1973 Paving Assessment Certificates of Indebtedness - To accumulate monies for payment of the 1973 \$46,209 paving assessment certificates of indebtedness. Debt service is financed by payments on the assessments and related interest.

1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds - To account for excess funds on completed paving assessments.

1990 Paving Assessment Fund - To accumulate monies for payment of the 1990 Paving Certificates. Debt service is financed by payments on the assessments and related interest.

CITY OF PATTERSON, LOUISIANA  
Debt Service Funds

Combining Balance Sheet  
June 30, 2001  
With Comparative Totals for June 30, 2000

	Public Improvement Bonds	Sales Tax Refunding Bonds	1973 Paving Assessments Certificates of Indebtedness	1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ 4,277	\$ 22,712
Interest-bearing deposits	186,966	401,542	-	126,139
Receivables:				
Assessments receivable	-	-	6	11,627
Accrued interest	-	818	-	2,035
Due from other funds	<u>172,950</u>	<u>26,554</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 359,916</u>	<u>\$ 428,914</u>	<u>\$ 4,283</u>	<u>\$ 162,513</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Deferred property assessments	\$ -	\$ -	\$ 6	\$ 11,627
Due to other funds	<u>54,697</u>	<u>42,072</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>54,697</u>	<u>42,072</u>	<u>6</u>	<u>11,627</u>
Fund balances:				
Reserved for debt service	305,219	386,842	-	-
Unreserved, undesignated	<u>-</u>	<u>-</u>	<u>4,277</u>	<u>150,886</u>
Total fund balances	<u>305,219</u>	<u>386,842</u>	<u>4,277</u>	<u>150,886</u>
Total liabilities and fund balances	<u>\$ 359,916</u>	<u>\$ 428,914</u>	<u>\$ 4,283</u>	<u>\$ 162,513</u>

1990 Paving Assessment Fund	Public Improvement Sales Tax Bonds	Totals	
		2001	2000
\$ 28,775	\$ -	\$ 55,764	\$ 70,964
79,260	117,468	911,375	763,761
5,940	-	17,573	24,734
-	-	2,853	1,679
<u>15,555</u>	<u>-</u>	<u>215,059</u>	<u>178,292</u>
<u>\$ 129,530</u>	<u>\$ 117,468</u>	<u>\$ 1,202,624</u>	<u>\$ 1,039,430</u>
\$ 5,940	\$ -	\$ 17,573	\$ 24,734
<u>123,590</u>	<u>-</u>	<u>220,359</u>	<u>182,713</u>
<u>129,530</u>	<u>-</u>	<u>237,932</u>	<u>207,447</u>
-	117,468	809,529	681,192
<u>-</u>	<u>-</u>	<u>155,163</u>	<u>150,791</u>
<u>-</u>	<u>117,468</u>	<u>964,692</u>	<u>831,983</u>
<u>\$ 129,530</u>	<u>\$ 117,468</u>	<u>\$ 1,202,624</u>	<u>\$ 1,039,430</u>

CITY OF PATTERSON, LOUISIANA  
Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2001  
With Comparative Totals for Year Ended June 30, 2000

	Public Improvement Bonds	Sales Tax Refunding Bonds	1973 Paving Assessments Certificates of Indebtedness
Revenues:			
Taxes - Sales	\$ -	\$ -	\$ -
Miscellaneous -			
Property assessments earned	-	-	-
Interest on assessments	-	-	-
Interest on deposits	3,289	17,180	-
Penalties on assessments	-	-	-
Other	<u>159</u>	<u>-</u>	<u>-</u>
Total revenues	<u>3,448</u>	<u>17,180</u>	<u>-</u>
Expenditures:			
Capital Outlay	-	-	-
Debt service -			
Principal retirement	45,000	105,000	-
Interest	36,007	32,625	-
Paying agents' fees and fiscal charges	<u>724</u>	<u>1,341</u>	<u>-</u>
Total expenditures	<u>81,731</u>	<u>138,966</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(78,283)</u>	<u>(121,786)</u>	<u>-</u>
Other financing sources (uses):			
Operating transfers in	169,510	133,375	-
Operating transfers out	-	-	-
Proceeds from the sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>169,510</u>	<u>133,375</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>91,227</u>	<u>11,589</u>	<u>-</u>
Fund balances, beginning	<u>213,992</u>	<u>375,253</u>	<u>4,277</u>
Fund balances, ending	<u>\$ 305,219</u>	<u>\$ 386,842</u>	<u>\$ 4,277</u>

1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds	1990 Paving Assessment Fund	Public Improvement Sales Tax Bonds	Totals	
			2001	2000
\$ -	\$ -	\$ 99,848	\$ 99,848	\$ -
-	6,981	-	6,981	7,424
-	643	-	643	1,389
4,372	2,125	3,169	30,135	22,868
-	22	-	22	-
-	-	-	159	14,810
<u>4,372</u>	<u>9,771</u>	<u>103,017</u>	<u>137,788</u>	<u>46,491</u>
-	-	7,120	7,120	-
-	22,189	25,000	197,189	227,189
-	1,663	41,036	111,331	106,097
-	-	422	2,487	1,209
-	<u>23,852</u>	<u>73,578</u>	<u>318,127</u>	<u>334,495</u>
<u>4,372</u>	<u>(14,081)</u>	<u>29,439</u>	<u>(180,339)</u>	<u>(288,004)</u>
-	10,163	-	313,048	348,244
-	-	-	-	(55)
-	-	-	-	76,400
-	<u>10,163</u>	<u>-</u>	<u>313,048</u>	<u>424,589</u>
4,372	(3,918)	29,439	132,709	136,585
<u>146,514</u>	<u>3,918</u>	<u>88,029</u>	<u>831,983</u>	<u>695,398</u>
<u>\$ 150,886</u>	<u>\$ -</u>	<u>\$ 117,468</u>	<u>\$ 964,692</u>	<u>\$ 831,983</u>

## CAPITAL PROJECTS FUNDS

Drainage and Relocation Project - To account for construction of drainage improvements and utility relocation. \$385,000 of drainage was financed by general obligation bonds and relocation costs were funded by a grant from the State Department of Transportation and Development.

Regional Sewerage Facility Project - To account for the City's portion of the financing and construction of a regional sewerage facility. The facility was jointly built by the City of Patterson, Town of Berwick and Wards Five and Eight of St. Mary Parish. The cost of the project was financed by proceeds from the sale of sewerage sales tax bonds, sewerage and solid waste sales tax funds, and a grant from the state.

Third Street Paving Project - To account for the construction of paving improvements. The cost of the project was financed by property assessments and a grant from the parish.

Murphy Street Paving Project - To account for the construction of paving improvements. The cost of the project was financed by property assessments and a grant from the parish.

CITY OF PATTERSON, LOUISIANA  
Capital Projects Funds

Combining Balance Sheet  
June 30, 2001  
With Comparative Totals For June 30, 2000

	Drainage and Relocation Project	Regional Sewerage Facility Project	Third Street Paving Project	Murphy Street Paving Project
<b>ASSETS</b>				
Cash	\$ 1,473	\$ 12,650	\$ -	\$ -
Interest-bearing deposits	106,781	100,858	21,609	32,704
Investments, at fair value	-	-	-	-
Receivables:				
Accrued interest receivable	-	1,612	-	-
Due from other funds	21,443	573	-	-
Due from other governmental units	-	-	-	-
<b>Total assets</b>	<b>\$ 129,697</b>	<b>\$ 115,693</b>	<b>\$ 21,609</b>	<b>\$ 32,704</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	1,701	-	-	392
Total liabilities	1,701	-	-	392
Fund balances - unreserved:				
Designated for subsequent years' expenditures	127,996	115,693	21,609	32,312
<b>Total liabilities and fund balances</b>	<b>\$ 129,697</b>	<b>\$ 115,693</b>	<b>\$ 21,609</b>	<b>\$ 32,704</b>



City Hall & Jail Complex Project	Totals	
	2001	2000
\$ 100	\$ 14,223	\$ 13,332
587,306	849,258	809,050
-	-	205,678
-	1,612	123
567	22,583	22,016
<u>20,687</u>	<u>20,687</u>	<u>-</u>
<u>\$ 608,660</u>	<u>\$ 908,363</u>	<u>\$ 1,050,199</u>
\$ 60,736	\$ 60,736	\$ 37,652
10,614	10,614	-
<u>-</u>	<u>2,093</u>	<u>2,093</u>
<u>71,350</u>	<u>73,443</u>	<u>39,745</u>
<u>537,310</u>	<u>834,920</u>	<u>1,010,454</u>
<u>\$ 608,660</u>	<u>\$ 908,363</u>	<u>\$ 1,050,199</u>

CITY OF PATTERSON, LOUISIANA  
Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2001  
With Comparative Totals for Year Ended June 30, 2000

	Drainage and Relocation Project	Regional Sewerage Facility Project	Third Street Paving Project
Revenues:			
State of Louisiana - grant	\$ -	\$ -	\$ -
Miscellaneous			
Interest on interest-bearing deposits	<u>2,865</u>	<u>2,380</u>	<u>579</u>
Total revenues	<u>2,865</u>	<u>2,380</u>	<u>579</u>
Expenditures			
General government	144	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>144</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>2,721</u>	<u>2,380</u>	<u>579</u>
Other financing sources:			
Operating transfers in	-	-	-
Proceeds from sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	2,721	2,380	579
Fund balances, beginning	<u>125,275</u>	<u>113,313</u>	<u>21,030</u>
Fund balances, ending	<u>\$ 127,996</u>	<u>\$ 115,693</u>	<u>\$ 21,609</u>

Murphy Street Paving Project	City Hall & Jail Complex Project	Totals	
		2001	2000
\$ -	\$ 75,366	\$ 75,366	\$ -
<u>877</u>	<u>38,268</u>	<u>44,969</u>	<u>10,596</u>
<u>877</u>	<u>113,634</u>	<u>120,335</u>	<u>10,596</u>
-	-	144	17,472
<u>-</u>	<u>295,725</u>	<u>295,725</u>	<u>46,151</u>
<u>-</u>	<u>295,725</u>	<u>295,869</u>	<u>63,623</u>
<u>877</u>	<u>(182,091)</u>	<u>(175,534)</u>	<u>(53,027)</u>
-	-	-	100
<u>-</u>	<u>-</u>	<u>-</u>	<u>776,994</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>777,094</u>
877	(182,091)	(175,534)	724,067
<u>31,435</u>	<u>719,401</u>	<u>1,010,454</u>	<u>286,387</u>
<u>\$ 32,312</u>	<u>\$ 537,310</u>	<u>\$ 834,920</u>	<u>\$ 1,010,454</u>

## ENTERPRISE FUND

Utility Fund - To account for the provision of gas, water, and sewerage services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Balance Sheet  
June 30, 2001 and 2000

ASSETS	<u>2001</u>	<u>2000</u>
Current assets:		
Cash	\$ 219,644	\$ 202,722
Interest-bearing deposits	771,634	211,845
Investments, at fair value	-	269,150
Receivables:		
Accounts receivable	297,903	303,816
Accrued interest receivable	958	442
Due from other funds	26,391	147,045
Prepaid insurance	<u>3,526</u>	<u>11,218</u>
Total current assets	<u>1,320,056</u>	<u>1,146,238</u>
Advances to other funds	<u>125,000</u>	<u>125,000</u>
Restricted assets:		
Bond and interest sinking fund -		
Interest-bearing deposits	106,094	73,112
Accrued interest receivable	210	271
Bond reserve fund -		
Interest-bearing deposits	128,388	128,388
Capital additions and contingencies fund -		
Cash	73,028	73,028
Interest-bearing deposits	923,236	769,971
Bond construction fund -		
Cash	40,905	40,905
Interest-bearing deposits	189,637	185,230
Customers' deposits -		
Cash	82,198	72,931
Interest-bearing deposits	<u>140,275</u>	<u>140,275</u>
Total restricted assets	<u>1,683,971</u>	<u>1,484,111</u>
Property, plant and equipment:		
Property, plant and equipment, at cost,		
net of accumulated depreciation		
(2001 \$5,335,024; 2000 \$5,575,185)	<u>5,057,046</u>	<u>5,302,329</u>
 Total assets	 <u>\$ 8,186,073</u>	 <u>\$ 8,057,678</u>

# LIABILITIES AND FUND EQUITY

## Liabilities:

### Current liabilities (payable from current assets) -

Accounts payable	\$ 75,150	\$ 71,861
Due to other funds	48,209	16,297
Accrued liabilities	<u>4,175</u>	<u>2,310</u>
Total current liabilities (payable from current assets)	<u>127,534</u>	<u>90,468</u>

### Current liabilities (payable from restricted assets) -

Revenue bond payable, net of unamortized bond discount (2001 \$2,728; 2000 \$2,728)	62,272	57,272
Accrued interest payable	9,612	10,210
Customers' deposits	<u>222,473</u>	<u>213,206</u>
Total current liabilities (payable from restricted assets)	<u>294,357</u>	<u>280,688</u>

### Long-term liabilities -

Revenue bonds payable, net of current portion and unamortized bond discount (2001 \$21,826; 2000 \$24,554)	<u>728,174</u>	<u>790,446</u>
Total liabilities	<u>1,150,065</u>	<u>1,161,602</u>

## Fund equity:

### Contributed capital -

Customers	87,281	87,281
Municipality	5,440,367	5,440,367
Federal grants (net of accumulated amortization)	360,273	382,255
State grants (net of accumulated amortization)	<u>808,979</u>	<u>853,943</u>
Total contributed capital	<u>6,696,900</u>	<u>6,763,846</u>

### Retained earnings -

Reserved for revenue bond retirement	1,265,080	977,288
Unreserved	<u>(925,972)</u>	<u>(845,058)</u>
Total retained earnings	<u>339,108</u>	<u>132,230</u>
Total fund equity	<u>7,036,008</u>	<u>6,896,076</u>
Total liabilities and fund equity	<u>\$ 8,186,073</u>	<u>\$ 8,057,678</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Years Ended June 30, 2001 and 2000

	2001	2000
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 1,478,591	\$ 815,113
Water sales and services	427,901	428,256
Sewerage services	350,114	336,438
Delinquent charges	-	32,292
Commissions, transfers and reconnections	10,790	10,451
Miscellaneous	<u>18,334</u>	<u>13,967</u>
Total operating revenues	<u>2,285,730</u>	<u>1,636,517</u>
Operating expenses:		
Administrative	227,018	230,702
Gas department	1,253,490	688,830
Water department	345,281	328,416
Sewerage department	<u>319,708</u>	<u>309,534</u>
Total operating expenses	<u>2,145,497</u>	<u>1,557,482</u>
Operating income	<u>140,233</u>	<u>79,035</u>
Nonoperating revenues (expenses):		
Interest income	63,561	50,389
Proceeds from sale of assets	835	-
Interest and fiscal charges	<u>(64,696)</u>	<u>(67,713)</u>
Total nonoperating revenues (expenses)	<u>(300)</u>	<u>(17,324)</u>
Income before operating transfers	139,933	61,711
Operating transfer out		
Operating transfers out	<u>-</u>	<u>(9,282)</u>
Net income	139,933	52,429
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>66,945</u>
Increase in retained earnings	206,878	119,374
Retained earnings (deficit), beginning	<u>132,230</u>	<u>12,856</u>
Retained earnings, ending	<u>\$ 339,108</u>	<u>\$ 132,230</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2001 and 2000

	2001	2000
Administrative:	\$ 102,953	\$ 101,779
Salaries	7,245	10,526
Payroll taxes	3,549	3,452
Retirement contributions	11,631	21,843
Group insurance	12,336	12,983
Billing and notice processing	910	1,025
Telephone	7,014	10,180
Office supplies	732	3,866
Office equipment maintenance and rentals	3,156	882
Building repairs and maintenance	1,232	2,233
Vehicle repairs and maintenance	7,322	8,645
Depreciation	782	1,506
Training and seminars	11,949	12,704
Professional fees	44,445	22,957
General insurance	11,762	16,121
Miscellaneous	227,018	230,702
Total administrative		
Gas department:	127,588	154,949
Salaries	9,204	16,564
Payroll taxes	4,399	5,487
Retirement contributions	10,007	17,021
Group insurance	7,697	3,900
Uncollectible billings	1,723	1,654
Telephone	5,108	3,199
Utilities	979,459	383,458
Gas purchases	4,389	4,391
Operating supplies	3,817	1,071
Equipment repairs and maintenance	6,549	12,578
Distribution system repairs and maintenance	4,755	4,598
Vehicle oil and gas	13,735	10,636
Vehicle repairs and maintenance	12,000	6,628
Meters, hardware and lines	56,886	57,793
Depreciation	6,174	4,901
Miscellaneous	1,253,490	688,830
Total gas department		

(continued)



CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Operating Expenses by Department (Continued)  
Years Ended June 30, 2001 and 2000

	2001	2000
Water department:		
Salaries	\$ 113,141	\$ 125,037
Payroll taxes	8,170	13,003
Retirement contributions	3,901	2,154
Group insurance	10,649	17,603
Uncollectible billings	2,099	1,950
Telephone	1,107	1,586
Depreciation	74,080	67,961
Utilities	24,948	16,183
Chemicals and agents	39,707	33,371
Operating supplies	1,897	2,075
Equipment repairs and maintenance	10,019	5,243
Building repairs and maintenance	994	1,128
Distribution system repairs and maintenance	7,627	171
Vehicle oil and gas	4,584	4,131
Vehicle repairs and maintenance	2,259	1,433
Meters, hardware and maintenance	15,897	24,447
Engineering cost	4,355	-
Miscellaneous	<u>19,847</u>	<u>10,940</u>
Total water department	<u>345,281</u>	<u>328,416</u>
Sewerage department:		
Depreciation	133,368	133,366
Uncollectible billings	1,866	1,650
Utilities	14,874	10,513
Sewerage treatment	156,412	159,020
Operating supplies	1,308	2,594
Equipment repairs, maintenance and rentals	4,853	210
Distribution system repairs and maintenance	6,677	770
Miscellaneous	<u>350</u>	<u>1,411</u>
Total sewerage department	<u>319,708</u>	<u>309,534</u>
Total operating expenses	<u>\$ 2,145,497</u>	<u>\$ 1,557,482</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows  
Years Ended June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Operating income	\$ 140,233	\$ 79,035
Adjustments to reconcile operating income to net cash provided by operating activities -		
Depreciation	271,656	267,765
Gain on disposal of fixed assets	(340)	-
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	5,913	(34,798)
(Increase) decrease in insurance	7,692	(9,984)
Increase in accounts payable	3,289	15,812
Increase in accrued liabilities	<u>1,865</u>	<u>249</u>
Total adjustments	<u>290,075</u>	<u>219,044</u>
Net cash provided by operating activities	<u>430,308</u>	<u>318,079</u>
Cash flows from noncapital financing activities:		
Cash paid to other funds	120,654	79,873
Cash received from other funds	(31,912)	-
Operating transfers in (out) from other funds	<u>-</u>	<u>(9,282)</u>
Net cash provided by noncapital financing activities	<u>88,742</u>	<u>70,591</u>
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(26,373)	(71,764)
Proceeds from sale of fixed assets	835	-
Principal paid on revenue bond maturities	(60,000)	(55,000)
Interest paid on revenue bonds	(61,880)	(65,730)
Increase in customers' meter deposits	<u>9,267</u>	<u>10,633</u>
Net cash used by capital and related financing activities	<u>(138,151)</u>	<u>(181,861)</u>

(continued)

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows (Continued)  
Years Ended June 30, 2001 and 2000

	2001	2000
Cash flows from investing activities:		
Purchase of interest-bearing deposits	\$ (462,843)	\$ (356,366)
Purchase of investments	-	(269,150)
Proceeds from the sale and maturities of interest-bearing deposits	515,831	354,932
Proceeds from maturities of investments	277,955	255,751
Interest on interest-bearing deposits	<u>63,106</u>	<u>50,276</u>
Net cash provided by investing activities	<u>394,049</u>	<u>35,443</u>
Net increase in cash and cash equivalents	774,948	242,252
Cash and cash equivalents, beginning of period	<u>1,719,848</u>	<u>1,477,596</u>
Cash and cash equivalents, end of period	<u>\$ 2,494,796</u>	<u>\$ 1,719,848</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 202,722	\$ 122,348
Interest-bearing deposits - unrestricted	211,845	47,743
Cash - restricted	186,864	176,231
Interest-bearing deposits - restricted	1,296,976	1,308,399
Less: Interest-bearing deposits with a maturity over three months	<u>(178,559)</u>	<u>(177,125)</u>
Total cash and cash equivalents	<u>1,719,848</u>	<u>1,477,596</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	219,644	202,722
Interest-bearing deposits - unrestricted	771,634	211,845
Cash - restricted	196,131	186,864
Interest-bearing deposits - restricted	1,487,630	1,296,976
Less: Interest-bearing deposits with a maturity over three months	<u>(180,243)</u>	<u>(178,559)</u>
Total cash and cash equivalents	<u>2,494,796</u>	<u>1,719,848</u>
Net increase	<u>\$ 774,948</u>	<u>\$ 242,252</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Changes in Assets Restricted for Revenue Bond Debt Service  
Year Ended June 30, 2001

	Bond and Interest Sinking	Bond Reserve	Capital Additions and Contingencies	Total
Cash, interest-bearing deposits and investments, July 1, 2000	<u>\$ 73,383</u>	<u>\$ 128,388</u>	<u>\$ 842,999</u>	<u>\$ 1,044,770</u>
Cash receipts:				
Transfers from operating cash	120,822	-	130,846	251,668
Interest on deposits	3,039	2,889	22,440	28,368
Due to other fund	<u>30,940</u>	<u>-</u>	<u>-</u>	<u>30,940</u>
Total cash receipts	<u>154,801</u>	<u>2,889</u>	<u>153,286</u>	<u>310,976</u>
Total cash, interest-bearing deposits and investments	<u>228,184</u>	<u>131,277</u>	<u>996,285</u>	<u>1,355,746</u>
Cash disbursements:				
Principal payments	60,000	-	-	60,000
Interest payments	61,880	-	-	61,880
Paying agent fees and fiscal charges	-	-	21	21
Transfer to operating	<u>-</u>	<u>2,889</u>	<u>-</u>	<u>2,889</u>
Total cash disbursements	<u>121,880</u>	<u>2,889</u>	<u>21</u>	<u>124,790</u>
Cash, interest-bearing deposits and investments, June 30, 2001	<u>\$ 106,304</u>	<u>\$ 128,388</u>	<u>\$ 996,264</u>	<u>\$ 1,230,956</u>

## FIDUCIARY FUNDS

### AGENCY FUNDS

Payroll and Disbursements Funds - To account for the centralization of two clearing accounts which are used for the disbursements (except for transfers between funds) of all City funds, including those for purchases, payroll and payroll-related costs.

CITY OF PATTERSON, LOUISIANA  
Fiduciary Funds

Combining Balance Sheet  
June 30, 2001  
With Comparative Totals for June 30, 2000

	Payroll Fund	Disbursement Fund	Totals	
			2001	2000
<b>ASSETS</b>				
Cash	\$ 103,065	\$ 2,824	\$ 105,889	\$ 88,280
Due from other funds	<u>          -</u>	<u>17,000</u>	<u>17,000</u>	<u>16,297</u>
Total assets	<u>\$ 103,065</u>	<u>\$ 19,824</u>	<u>\$ 122,889</u>	<u>\$ 104,577</u>
<b>LIABILITIES</b>				
Accrued Liabilities	\$ 19,032	\$ 1,601	\$ 20,633	\$ 25,835
Due to other funds	<u>84,033</u>	<u>18,223</u>	<u>102,256</u>	<u>78,742</u>
Total Liabilities	<u>\$ 103,065</u>	<u>\$ 19,824</u>	<u>\$ 122,889</u>	<u>\$ 104,577</u>

CITY OF PATTERSON, LOUISIANA  
Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities  
Year Ended June 30, 2001

	Balance 7/1/00	Additions	Deductions	Balance 6/30/01
<b><u>PAYROLL FUND</u></b>				
<b>ASSETS</b>				
Cash	\$ 83,194	\$ 1,159,777	\$ 1,139,906	\$ 103,065
<b>LIABILITIES</b>				
Accrued Liabilities	\$ 25,835	\$ 511,606	\$ 518,409	\$ 19,032
Due to other funds	57,359	1,191,853	1,165,179	84,033
Total Liabilities	\$ 83,194	\$ 1,703,459	\$ 1,683,588	\$ 103,065
<b><u>DISBURSEMENT FUND</u></b>				
<b>ASSETS</b>				
Cash	\$ 5,086	\$ 2,055,080	\$ 2,057,342	\$ 2,824
Due from other funds	16,297	1,424,517	1,423,814	17,000
Total assets	\$ 21,383	\$ 3,479,597	\$ 3,481,156	\$ 19,824
<b>LIABILITIES</b>				
Accrued Liabilities	\$ -	\$ 2,235,795	\$ 2,234,194	\$ 1,601
Due to other funds	21,383	805,722	808,882	18,223
Total liabilities	\$ 21,383	\$ 3,041,517	\$ 3,043,076	\$ 19,824
<b><u>TOTALS - ALL FIDUCIARY FUNDS</u></b>				
<b>ASSETS</b>				
Cash	\$ 88,280	\$ 3,214,857	\$ 3,197,248	\$ 105,889
Due from other funds	16,297	1,424,517	1,423,814	17,000
Total assets	\$ 104,577	\$ 4,639,374	\$ 4,621,062	\$ 122,889
<b>LIABILITIES</b>				
Accrued Liabilities	\$ 25,835	\$ 2,747,401	\$ 2,752,603	\$ 20,633
Due to other funds	78,742	1,997,575	1,974,061	102,256
Total liabilities	\$ 104,577	\$ 4,744,976	\$ 4,726,664	\$ 122,889

## GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.



## CITY OF PATTERSON, LOUISIANA

Comparative Statement of General Fixed Assets  
June 30, 2001 and 2000

	2001	2000
General fixed assets, at cost:		
Land	\$ 230,244	\$ 230,244
Buildings	458,190	451,040
Equipment	987,124	933,269
Construction in progress	<u>302,845</u>	<u>-</u>
Total general fixed assets	<u>\$ 1,978,403</u>	<u>\$ 1,614,553</u>
Investment in general fixed assets:		
Property acquired from -		
General Fund revenues	\$ 990,960	\$ 981,482
Federal revenue sharing funds	35,145	35,145
Federal and local grants	329,812	202,934
Special revenue fund revenues	395,007	394,992
Capital projects funds - sales tax bonds	<u>227,479</u>	<u>-</u>
Total investment in general fixed assets	<u>\$ 1,978,403</u>	<u>\$ 1,614,553</u>

## CITY OF PATTERSON, LOUISIANA

Statement of Changes in General Fixed Assets  
Year Ended June 30, 2001

	Land	Buildings	Equipment	Construction in progress	Total
General fixed assets, beginning	<u>\$ 230,244</u>	<u>\$ 451,040</u>	<u>\$ 933,269</u>	<u>\$ -</u>	<u>\$ 1,614,553</u>
Additions:					
General Fund revenues	-	-	43,678	-	43,678
Special Revenue Fund revenues	-	-	3,162	-	3,162
Capital Project	-	-	-	220,359	220,359
Debt Service	-	-	-	7,120	7,120
Federal grant	-	-	44,362	-	44,362
State grant	<u>-</u>	<u>7,150</u>	<u>-</u>	<u>75,366</u>	<u>82,516</u>
Total additions	<u>-</u>	<u>7,150</u>	<u>91,202</u>	<u>302,845</u>	<u>401,197</u>
Deletions	<u>-</u>	<u>-</u>	<u>37,347</u>	<u>-</u>	<u>37,347</u>
General fixed assets, ending	<u>\$ 230,244</u>	<u>\$ 458,190</u>	<u>\$ 987,124</u>	<u>\$ 302,845</u>	<u>\$ 1,978,403</u>

## GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service funds.

## CITY OF PATTERSON, LOUISIANA

## Statement of General Long-Term Debt

June 30, 2001

With Comparative Totals for June 30, 2000

	Capital Lease	Public Improvement Bonds	General Obligation Sales Tax Bonds
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT			
Amount available in debt service funds for debt retirement	\$ -	\$ 305,219	\$ 659,473
Amount to be provided from -			
General Fund revenues	5,275	-	-
Ad valorem taxes	-	379,781	-
Sales and use taxes	-	-	765,527
Property assessments	-	-	-
Total available and to be provided	<u>\$ 5,275</u>	<u>\$ 685,000</u>	<u>\$ 1,425,000</u>
GENERAL LONG-TERM DEBT PAYABLE			
Lease obligation payable	\$ 5,275	\$ -	\$ -
Bonds payable	-	685,000	1,425,000
Certificates of indebtedness payable	-	-	-
Total general long-term debt payable	<u>\$ 5,275</u>	<u>\$ 685,000</u>	<u>\$ 1,425,000</u>

Totals	
2001	2000

\$ 964,692	\$ 677,274
------------	------------

5,275	19,306
379,781	516,008
765,527	1,091,718
<u>-</u>	<u>13,101</u>

<u>\$ 2,115,275</u>	<u>\$ 2,317,407</u>
---------------------	---------------------

\$ 5,275	\$ 14,848
2,110,000	1,640,000
<u>-</u>	<u>44,377</u>

<u>\$ 2,115,275</u>	<u>\$ 1,699,225</u>
---------------------	---------------------

#### OTHER SUPPLEMENTARY INFORMATION

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 2001

Records maintained by the City indicated the following number of customers were being served during the months of June, 2001 and 2000:

<u>Department</u>	<u>2001</u>	<u>2000</u>
Gas (metered)	1,899	1,989
Water (metered)	2,292	2,260
Sewerage	1,978	1,952
Sanitation*	1,978	1,952

\*Note: Sanitation services are billed and collected by the City on the regular utility bills sent out. The related incomes, expenses, receivables and payables are recorded in the City's General Fund.

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Analysis of Revenues and Expenses  
Years Ended June 30, 2001 and 2000

	Totals		Gas	
	2001	2000	2001	2000
Operating revenues:				
Charges for services -				
Customers	\$ 2,256,606	\$ 1,579,807	\$ 1,478,591	\$ 815,113
Delinquent charges	-	32,292	-	10,979
Commissions, transfers, and reconnections	10,790	10,451	3,561	3,453
Miscellaneous	<u>15,314</u>	<u>13,967</u>	<u>8,783</u>	<u>4,867</u>
Total operating revenue	<u>2,282,710</u>	<u>1,636,517</u>	<u>1,490,435</u>	<u>834,312</u>
Operating expenses:				
Salaries	343,882	381,765	127,588	154,949
Payroll taxes	24,619	40,093	9,204	16,564
Retirement contributions	11,849	11,093	4,399	5,487
Group insurance	32,287	56,467	10,007	17,021
Gas purchases	970,459	383,458	979,459	383,458
Chemicals and agents	30,707	33,371	-	-
Equipment repairs and maintenance	19,421	10,390	3,817	1,071
Distribution system repairs and maintenance	20,833	13,519	6,549	12,578
Vehicle oil and gas	9,339	8,729	4,755	4,598
Vehicle repairs and maintenance	17,226	14,302	13,735	10,636
Meters, hardware and lines	27,897	31,075	12,000	6,628
Professional fees	11,949	12,704	-	-
Depreciation	271,656	267,765	56,886	57,793
Insurance	44,445	22,957	-	-
Office expense	13,300	16,646	4,389	4,391
Sewerage treatment	156,412	159,020	-	-
Other	121,396	94,128	20,702	13,656
Allocation of administrative expenses	-	-	149,632	78,479
Total operating expenses	<u>2,145,497</u>	<u>1,557,482</u>	<u>1,405,322</u>	<u>787,269</u>
Operating income (loss)	<u>140,213</u>	<u>79,035</u>	<u>\$ 87,113</u>	<u>\$ 67,243</u>
Nonoperating revenues (expenses):				
Interest income	63,561	50,389		
Proceeds from sale of assets	835	-		
Interest and fiscal charges	<u>(64,690)</u>	<u>(67,713)</u>		
Total nonoperating revenues (expenses)	<u>(100)</u>	<u>(17,324)</u>		
Income before operating transfers	139,933	61,711		
Operating transfers in (out)	<u>-</u>	<u>(9,282)</u>		
Net income	139,933	52,429		
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>66,945</u>		
Increase in retained earnings	<u>206,878</u>	<u>119,374</u>		
Retained earnings (deficit), beginning	<u>132,230</u>	<u>12,856</u>		
Retained earnings, ending	<u>\$ 339,108</u>	<u>\$ 132,230</u>		



Water		Sewerage		Administrative	
2001	2000	2001	2000	2001	2000
\$ 427,901	\$ 428,256	\$ 350,114	\$ 336,438	\$ -	\$ -
-	11,625	-	9,688	-	-
3,669	3,762	3,560	3,136	-	-
<u>7,330</u>	<u>-</u>	<u>2,721</u>	<u>9,100</u>	<u>-</u>	<u>-</u>
<u>438,900</u>	<u>443,643</u>	<u>356,395</u>	<u>358,362</u>	<u>-</u>	<u>-</u>
113,141	125,037	-	-	102,953	101,779
8,170	13,003	-	-	7,245	10,526
3,901	2,154	-	-	3,549	3,452
10,649	17,603	-	-	11,631	21,843
-	-	-	-	-	-
39,707	33,371	-	-	-	-
10,019	5,243	4,833	210	732	3,866
7,627	171	6,677	770	-	-
4,584	4,131	-	-	-	-
2,259	1,433	-	-	1,232	2,233
15,897	24,447	-	-	-	-
-	-	-	-	11,949	12,704
74,080	67,961	133,368	133,366	7,322	8,645
-	-	-	-	44,445	22,957
1,897	2,075	-	-	7,014	10,180
-	-	156,412	159,020	-	-
53,350	31,787	18,398	16,168	28,946	32,517
<u>63,133</u>	<u>83,053</u>	<u>34,052</u>	<u>69,210</u>	<u>(227,018)</u>	<u>(230,702)</u>
<u>388,414</u>	<u>411,469</u>	<u>351,761</u>	<u>378,744</u>	<u>-</u>	<u>-</u>
<u>\$ 30,686</u>	<u>\$ 32,174</u>	<u>\$ 2,634</u>	<u>\$ (20,382)</u>	<u>\$ -</u>	<u>\$ -</u>

## CITY OF PATTERSON, LOUISIANA

Schedule of Insurance in Force  
(Unaudited)  
June 30, 2001

Description of Coverage	Coverage Amounts
Workmen's Compensation - Employer's liability	Statutory \$ 1,000,000
Surety Bonds -	
Mrs. Pamela Washington	25,000
Ms. Angela Shilling	5,000
Public employees	5,000
Public right-of-way	1,528
Policemen's Professional Liability	1,000,000
Comprehensive General Liability, Bodily Injury, and Property Damage	500,000
Comprehensive Automobile Liability	500,000
Fire, Lightning, and Extended Coverage - Buildings and contents, all risks except flood and earthquake	1,952,704
Summer Recreation Program -	
Death and dismemberment	3,000
Medical expense	10,000
Public officials errors and omissions	500,000

## CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds  
June 30, 2001

	Term	Maturity Date	Interest Rate	Total Amount
General Fund:				
Insured Money Market	N/A	N/A	2.250%	\$ 162,200
Insured Money Market	N/A	N/A	2.250%	1,035,680
Insured Money Market	N/A	N/A	2.250%	44,097
Insured Money Market	N/A	N/A	2.250%	400,124
Insured Money Market	N/A	N/A	2.250%	102,548
Savings	N/A	N/A	2.000%	241,647
Savings	N/A	N/A	2.000%	2,076
Savings	N/A	N/A	2.000%	2,236
Certificate of deposit	31 days	7/19/01	2.500%	45,000
Certificate of deposit - Patterson State Bank	1 year	9/24/01	4.615%	56,872
Certificate of deposit - Patterson State Bank	91 days	9/12/01	2.750%	30,600
Certificate of deposit - Patterson State Bank	182 days	8/23/01	4.515%	796
Certificate of deposit - Patterson State Bank	181 days	7/5/01	4.515%	194,423
Certificate of deposit - Patterson State Bank	182 days	8/23/01	4.515%	<u>86,487</u>
				<u>2,404,186</u>
Special Revenue Funds:				
Sewerage and Solid Waste Sales Tax Fund -				
Insured Money Market	N/A	N/A	2.250%	208,458
Certificate of deposit - Patterson State Bank	182 days	8/28/01	4.515%	155,000
Treasury Fund	N/A	N/A	3.130%	<u>793,453</u>
				<u>1,156,911</u>
Ad Valorem Tax Collection Fund -				
Savings	N/A	N/A	2.000%	<u>25,096</u>
Fire Department Equipment Fund -				
Insured Money Market	N/A	N/A	2.250%	65,203
Certificate of Deposit - Patterson State Bank	90 days	8/3/01	3.200%	25,000
Certificate of Deposit - Patterson State Bank	91 days	7/30/01	3.200%	<u>50,000</u>
				<u>140,203</u>
Emergency Management Fund -				
Insured Money Market	N/A	N/A	2.250%	<u>22,892</u>
Total special revenue funds				<u>1,345,109</u>

(continued)

## CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds (Continued)  
June 30, 2001

	Term	Maturity Date	Interest Rate	Total Amount
<b>Debt Service Funds:</b>				
Public Improvement Bonds Fund - Insured Money Market	N/A	N/A	2.250%	<u>186,966</u>
Sales Tax Revenue Refunding Bonds Series - Insured Money Market	N/A	N/A	2.250%	<u>175,241</u>
Certificate of Deposit - Patterson State Bank	182 days	11/19/01	3.300%	<u>226,301</u>
				<u>401,542</u>
Sales Tax Sinking Fund - Insured Money Market	N/A	N/A	2.250%	<u>38,005</u>
Insured Money Market-Reserve	N/A	N/A	2.250%	<u>79,463</u>
				<u>117,468</u>
1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds - Savings				
	N/A	N/A	2.000%	<u>102</u>
Certificate of Deposit - Patterson State Bank	182 days	8/23/01	4.515%	<u>54,917</u>
Certificate of Deposit - Patterson State Bank	182 days	8/20/01	4.515%	<u>48,520</u>
Certificate of Deposit - Patterson State Bank	182 days	8/20/01	4.515%	<u>22,660</u>
				<u>126,139</u>
1990 Street Paving Project - Insured Money Market	N/A	N/A	2.250%	<u>79,260</u>
Total debt service funds				<u>911,375</u>
<b>Capital Projects Funds:</b>				
1980 Drainage Project Fund - Insured Money Market	N/A	N/A	2.250%	<u>106,781</u>
Regional Sewerage Facility Project Fund - Certificate of Deposit - Patterson State Bank	182 days	8/28/01	4.515%	<u>20,000</u>
Certificate of Deposit - Patterson State Bank	182 days	8/20/01	4.515%	<u>80,858</u>
				<u>100,858</u>
Third Street Paving Project Fund - Insured Money Market	N/A	N/A	2.250%	<u>21,609</u>
Murphy Street Paving Project Fund - Insured Money Market	N/A	N/A	2.250%	<u>22,704</u>

## CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds (Continued)  
June 30, 2001

	Term	Maturity Date	Interest Rate	Total Amount
Sales Tax Bond Construction Fund -				
Insured Money Market	N/A	N/A	2.250%	215,118
Certificate of Deposit	90 days	7/28/01	3.200%	104,965
Certificate of Deposit	90 days	7/31/01	3.200%	51,268
Treasury Fund	N/A	N/A	3.130%	<u>215,855</u>
				<u>587,306</u>
Total capital projects funds				<u>849,258</u>
Utility Funds:				
Insured Money Market	N/A	N/A	2.250%	617,422
Insured Money Market	N/A	N/A	2.250%	888,708
Insured Money Market	N/A	N/A	2.250%	189,637
Savings	N/A	N/A	2.000%	34,528
Savings	N/A	N/A	2.000%	66,126
Certificate of Deposit - Patterson State Bank	182 days	11/16/01	3.300%	140,275
Certificate of Deposit - Patterson State Bank	182 days	8/25/01	4.215%	39,968
Treasury Fund	N/A	N/A	3.130%	<u>282,600</u>
				<u>2,259,264</u>
Total - all funds				<u>\$ 7,769,192</u>

INTERNAL CONTROL

AND

COMPLIANCE



**Darnall, Sikes  
& Frederick.**

(A Corporation of Certified Public Accountants)

**Independent Auditor's Report on Compliance and on  
Internal Control over Financial Reporting Based on an  
Audit of General Purpose Financial Statements Performed in  
Accordance with Government Auditing Standards**

The Honorable James L. Bernauer, Mayor  
and Members of the City Council  
City of Patterson, Louisiana

We have audited the general purpose financial statements of the City of Patterson, Louisiana, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 16, 2001. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Patterson, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed seven instances of noncompliance that are required to be reported under Government Auditing Standards. These instances of noncompliance are reported as items 2001-1 through 2001-7 on Part 2 of the Schedule of Findings and Questioned Costs.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Patterson, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted one matter involving the internal control over reporting and its operations that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City of Patterson, Louisiana's ability to record, process, summarize and report financial data consistent with assertions of management in the general purpose financial statements.

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Certified Public Accountants  
Institute of Certified  
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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control structure over financial reporting, would not necessarily disclose all matters in the internal control structure that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

This report is intended for the information of the City Council, management and others within the organization and is not intended to be and should not be used by anyone other than those specified parties.

*Dannall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
November 16, 2001



CITY OF PATTERSON, LOUISIANA

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2001

2000-01	Finding:	<u>Bond sinking fund transfers were not made timely</u>
	Status:	This finding was not resolved and will be restated in 2001 as finding 2001-01.
2000-02	Finding:	<u>Contingency fund transfers were not made timely</u>
	Status:	This finding was not resolved and will be restated in 2001 as finding 2001-02.

CITY OF PATTERSON, LOUISIANA

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2001

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unqualified opinion has been issued on the City of Patterson, Louisiana's general purpose financial statements as of and for the year ended June 30, 2001.

Reportable Conditions - Financial Statements

There were no reportable conditions in internal control over financial reporting disclosed during the audit of the financial statements.

Material Noncompliance - Financial Reporting

There were seven material instances of noncompliance noted during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2001.

Part 2: Findings Relating to an Audit in Accordance with Government Auditing Standards

2001-1 Bond sinking fund transfers

Finding:

Bond sinking fund transfers were not made timely.

Recommendation:

To ensure compliance with bond requirements, management should ensure that sinking fund transfers are made in accordance with the bond requirements.

2001-2 Contingency fund transfers

Finding:

Contingency fund transfers were not made timely.

Recommendation:

To ensure compliance with bond requirements, management should ensure that sinking fund transfers are made in accordance with the bond requirements.

CITY OF PATTERSON, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2001

2001-3 Bad law requirements

Finding:

State law requires that records of phone bids be retained. When examining the records, no evidence of phone bids could be produced on the purchase of a vehicle.

Recommendation:

The City should implement procedures to assure that the public bid law is adhered to.

2001-4 Adoption of operating budget

Finding:

State law requires that operating budgets be submitted to the governing authority 15 days prior to the beginning of the budget year. Also, the Home Rule Charter requires the operating budget be approved 45 days prior the beginning of the budget year. The budget for the year ended June 30, 2002 was adopted on August 7, 2001.

Recommendation:

Budgets should be prepared timely and procedures relating to the preparation and adoption of the budget should be in accordance with state laws and the Home Rule Charter.

2001-5 Amendment of the 2000-2001 budget

Finding:

State law requires that amendments to the operating budgets be submitted to the governing authority prior to the beginning of the new budget year. The budget for the year ended June 30, 2001 was amended on July 3, 2001.

Recommendation:

Amendments to the budgets should be done timely.

CITY OF PATTERSON, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2001

2001-6 Monthly financial statement compared to budget

Finding:

Monthly financial statements with budget comparisons are not being submitted to the council as required by the Home Rule Charter no later than fifteen days after the end of the month.

Recommendation:

Timely financial statements should be given to the council.

2001-7 Finance report to the Council

Finding:

The Home Rule Charter under which the City operates requires that forty-five days after the end of the fiscal year a complete report on the finances and administrative activities of the City be submitted to the council. The City has not complied with this requirement.

Recommendation:

Timely reports should be given to the council.

Part 3: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2001, the City of Patterson, Louisiana did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

CITY OF PATTERSON, LOUISIANA

Management's Corrective Action Plan For Current Year Findings  
Year Ended June 30, 2001

Response to Finding 2001-1:

Although management does make sure that all sinking fund reserves are adequate, management will assure that all bond sinking fund transfers are made on a timely basis.

Response to Finding 2001-2:

Management will assure that all contingency fund transfers are made timely.

Response to Finding 2001-3:

This was an oversight as management does adhere to the requirements of the bid law. In the future, all documentation will be on file.

Response to Finding 2001-4:

The City was having difficulties with its computer system, which caused the delay in producing timely financial information. This issue is being resolved.

Response to Finding 2001-5:

See response to 2001-4.

Response to Finding 2001-6:

See response to 2001-4.

Response to Finding 2001-7:

See response to 2001-4.